

EASTER NUMBER

*The China Weekly*  
**REVIEW**

密勒氏評論報

A Weekly Newspaper Established in 1917

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*April 8, 1939*

**Disillusioned Germans Turn To  
Chungking**

By JOHN AHLERS

**China's Industrial Cooperatives**

WITH A SERIES OF TWENTY DRAWINGS

*By the Noted Chinese Artist*

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**Flood Threatens 20,000,000**

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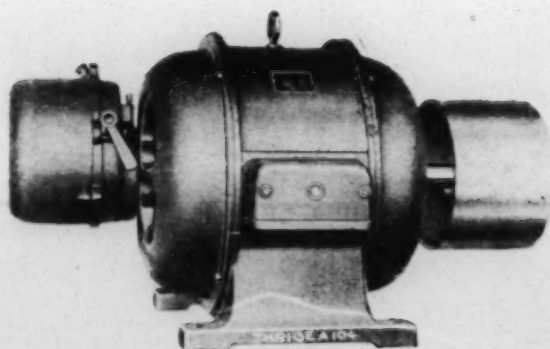
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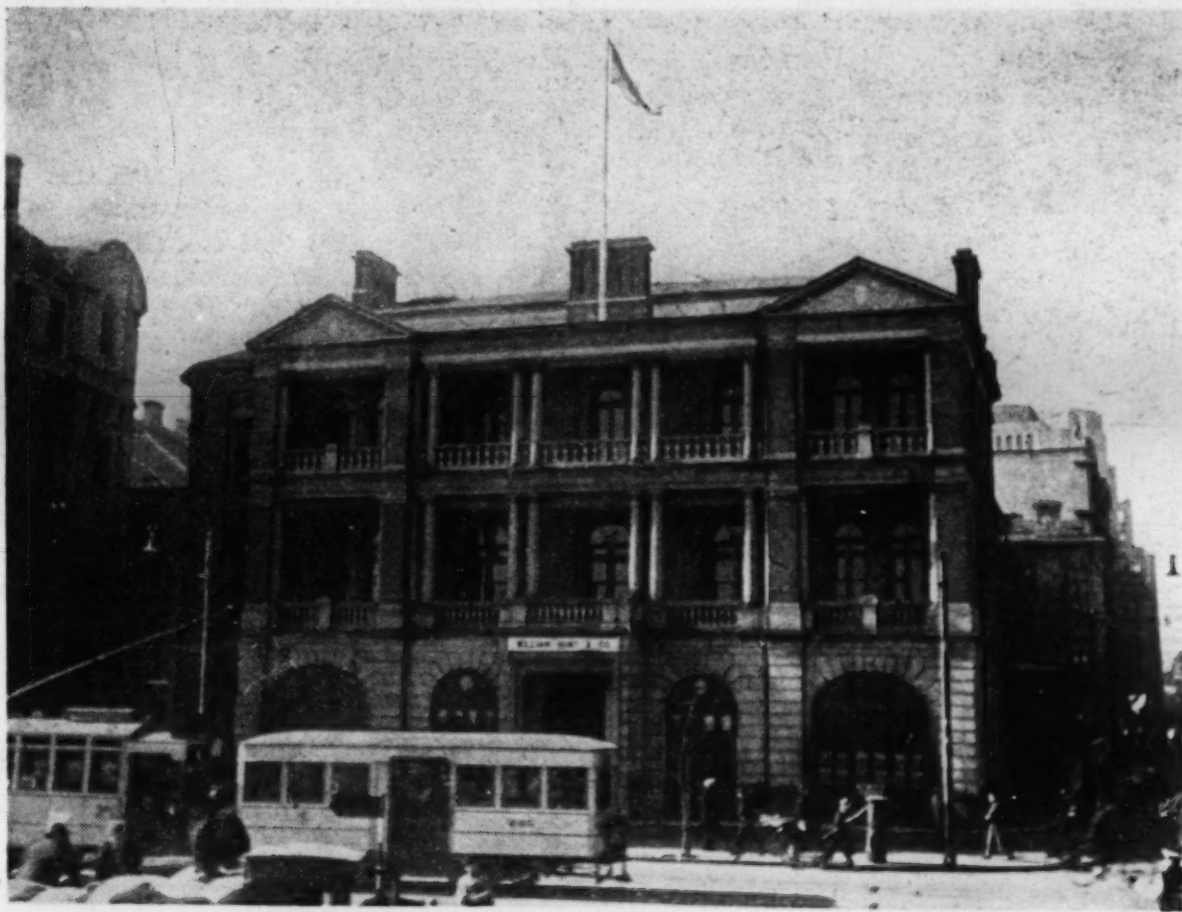
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# What People Are Saying

Comments from Readers on Current Topics are cordially invited; their opinions, however, do not necessarily represent the views of the *China Weekly Review*.

## AMERICA SHOULD ACT

To the Editor:

It is now 16 months since the Sino-Japanese conflict broke out. Many of our brave soldiers have died, not only for the cause of their country, but also for world peace. If ambitious Japan can be defeated, there will be peace in Asia forever.

The Nine-Power Treaty has been torn up, international law disdained, the Open Door policy ruined. American interests in the Far East are trespassed upon by Japan. It is time for America to step forward and intervene, to take positive action against Japan if she wishes to preserve her past and present glory.

It was America which helped defeat the ambitious nations of Europe in the World War. We hope America will do the same thing in Asia in order to end the Sino-Japanese conflict.

MU WEN-FU

THE MOSQUE,  
Nanning, Kwangsi,  
January 17, 1939

Editor's Note—Marked "Par Avion" and bearing air mail postage, the above letter reached our office on March 31, thus taking 73 days in transmission. The Shanghai postmark is dated March 27, indicating that it took the local Post Office at least four days to effect delivery after arrival.

## JAPAN'S NEW ORDER

To the Editor:

The Japanese are seeking a "New Order in Asia-ism", but in essence what does this mean?

Press and propaganda, both by the Japanese themselves and by pro-Japanese organs, have sung paeans to the efforts attendant on this "order" and there is no doubt that a certain section of people, (both Chinese and foreigners), have been misled into seeing the genuineness of the Japanese viewpoints. Minds that are befogged, misguided or prejudiced fall in the latter category, but thinking people cannot be blind for long to the series of outrageous acts perpetrated to bring about this "new order."

Is bombing of open towns calculated to win over or to awe the peasant Chinese? And yet Jappy believes that the more towns bombed, the sooner will the response to the "new order" be. Apart from humanitarian considerations, this is only to underrate the will of the Chinese people to resist.

Those who devote a little thinking to the tactics and aims of the invaders will soon awake to the realities of the situation which are as under:

(1) Bombing of open towns, which is deprecated by any righteous individual, is used as part of the Japanese routine program of conquest.

(2) Their technique of winning over the immobile rabble on the occupation of a city is often to offer the latter drugs and flesh, so that by glutting the primitive human desires the people may become insensible to their moral obligations.

(3) Using the puppet states as a mouthpiece whenever they want to vent their anger or disapproval of the foreign Powers' actions in China.

(4) Propaganda and threats to the people living within the occupied areas, so as to make them amenable to Japanese control. (A good instance is the recent promulgation of the Peking Provisional Government that a month or two hence no Chinese National Currency notes would be allowed for circulation in the Northern occupied territory under pain of a very heavy penalty).

(5) Seizure of Chinese properties located in occupied areas and the many illegal money-making projects underway in order to justify military expenditures and adventures in China.

If what we have witnessed and are witnessing does not mean subjugation of China to connote a "New Order in Asia-ism," no man in his right senses can very well figure out the implications of this fantastic phrase:

The "New Order in Asia-ism" can only mean one thing and that is Japanese domination and virtual control of China, to do as the Island Empire likes with the Chinese and their country in the political, economic, social and cultural fields.

A MALAYAN CHINESE.  
Shanghai, March 27, 1939

## LOCAL HOLLYWOOD

To the Editor:

I am still an ardent reader of your publication, even though I now reside in Hongkong. Now I wish to correct a statement which appeared in your article about Shanghai's "Hollywood Gambling House," on March 11. You mentioned the gamblers of Shumchun, (on the border between Kowloon and Chinese territory) fleeing to Hongkong after the recent Japanese occupation of Canton, and suggested that these gamblers now operate Hollywood, and that the head of the syndicate, Fok Chee Ting, might be in Shanghai.

This statement does not accord with facts: First, gambling was outlawed and completely suppressed in Canton in July, 1936 when Nanking extended fully its authority there. Shumchun and other places of similar nature were closed and remained closed for the 27 months that preceded the Japanese invasion.

Secondly, although Fok Chee Ting "farmed" the gambling tax under Gen. Chen Chi-tang, he was not the head of the gambling syndicate. Actually there was no such thing and when the

## THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

J. B. POWELL, Editor and Publisher

C. FRANK GLASS, Assistant Editor HOH CHIH-HSIANG, Editorial Dept.

Advertising Dept.: TRYPHON V. KU, S. GRUENBERG

F. K. CHAO, Business Dept.

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PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA. YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, FOURTEEN DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. ADD \$3.00 TO COVER EXTRA POSTAGE TO HONGKONG. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U.S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAN CHINA AND THE U.S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917. BY AIR-MAIL—TO HANKOW AND ELSEWHERE IN CENTRAL, WEST, NORTHWEST AND SOUTHWEST CHINA THE RATE IS \$30 A YEAR OR \$17 FOR A HALF-YEAR.

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES. COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."



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suppression order became effective (1936), Mr. Fok came to Hongkong where he has since resided. He has had no interest whatever in any gambling organization here or elsewhere. It is likely that your report about his alleged connection with the Hollywood resort may have been given by someone who was inspired by ulterior or malicious intentions. Mr. Fok is a respected businessman and was done an injustice by the writer of your article.

JUSTICE.

Hongkong, March 21, 1939

## DEATH OF HIN WONG

To the Editor:

We were shocked to learn of the death of Hin Wong. Hin came to Columbia as a high school student and was assigned to our high school English class as a seatmate of the late Walter Williams, Jr., and myself when we were in high school together. Walter and I were assigned the pleasant duty of helping Hin Wong with his English. Please give my best regards to my good Rotary friend, Dr. C. T. Wang and also to Yen Te-ching, Rotary District Governor.

BOB HILL.

Director,  
Alumni Activities,  
University of Missouri,  
Columbia, Feb. 21, 1939

## A ROVING READER

To the Editor:

I beg to inform you that I am one of your subscribers, but I lost my last receipt due to the disorder in Shansi after the Japanese intrusion. Formerly I was a teacher in the Chin Shan Middle School at Shang Lanchun, Yang Chu Hsien, but after the fall of Taiyuan, I had to go to one place after another, at last going to Kansu. Since I have missed a few copies, I wish you would send them to my present location.

K. Y. C.

Hsi Ho Hsien, Kansu,  
Feb. 17, 1939

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中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China

Volume 88

Shanghai, China, Saturday, April 8 1939

Number 6

## JAPAN SPENDING U.S.\$5,000,000 TO BLOCK U. S. EMBARGO LEGISLATION

THE Japanese Government and a number of leading Japanese commercial and financial houses such as Mitsui, Mitsubishi, Japan Tourist Bureau, Nippon Yusen Kaisha steamship line and at least two Japanese chambers of commerce in the United States have raised a propaganda or "slush" fund amounting to U. S. \$5,000,000 which is now being used to defeat attempts to repeal or modify the U. S. Neutrality Law in any manner that would be detrimental to Japan.

What the Japanese warlords fear most as an outcome of the present debate in Congress over repeal or revision of the Neutrality Act, is the enactment of legislation which would give the President power to order an embargo on shipment of munitions or basic war materials to Japan. It is now generally realized that an embargo on three American products would force the Japanese military clique to stop the war. The products are oil, scrap-iron and cotton.

Some estimates have placed the Japanese propaganda fund at U. S. \$3,500,000 expended in the United States annually, but a recent analysis placed the figure at U. S. \$5,000,000, the equivalent of \$30,000,000 in Chinese currency at prevailing rates of exchange. Of this sum, U. S. \$2,000,000 was appropriated at a secret session of the Japanese Diet.

One report, the source of which was confidential, claimed that Japan's propaganda machine in the United States was the most extensive of any foreign government. From well equipped offices in New York, Washington, San Francisco and elsewhere there comes a steady stream of Japanese "culture," while high-priced publicity experts fill the columns of the American press with reports of Japan's high aims in Asia.

A considerable portion of Japan's vast propaganda fund is supplied by Japanese businessmen and chambers of commerce, hence it might be regarded as legitimate commercial publicity, but since Japan is now virtually a totalitarian state, with business and government and even the thoughts of the people controlled by the military clique, it means that the propaganda issued by the business organizations and that of the Government are practically indistinguishable.

The Japanese are playing for such big stakes—control of China and its human and material resources—that they don't seem to care how much money they spend for propaganda. They have a cynical idea that all Westerners have a price and ultimately must succumb to the wiles of Nippon. The fact that recent polls of public opinion indicated that only one percent of the American people were sympathetic to Japanese ambitions, while 59 percent supported China (40 percent were uncommunicative) apparently only had the effect of spurring the Japanese to even greater propaganda effort.

While the present Japanese "drive" in the United States is to prevent, if possible, any changes being made

in the present Neutrality Law, which the Japanese regard as highly satisfactory, Nippon's propaganda has other ramifications, one being the withdrawal of all American business and missionary activities from China "as a means of preventing the United States from being dragged into an oriental war." An American lecturer named Don Bate, who had been making speeches over the United States advocating the forced evacuation of all American businessmen from China (as a means of preventing the U. S. from being "dragged" into war)

### Neutrality Trap!



This cartoon by Fitzpatrick in the St. Louis Post-Dispatch emphasizes America's predicament resulting from the Neutrality Law.

admitted that he was being paid by the Japanese Chamber of Commerce in New York for making the speeches. Other lecturers who have been advocating pro-Japanese policies or merely "100-percent isolation" have been suspected of receiving generous appropriations from Japan's "culture" funds which are disbursed through a Japanese propaganda headquarters located in Rockefeller Center, New York City, which is operated by a Count Aisuke Kabayama. The offices in New York are listed in the building directory as "Society for International Cultural Relations."

The Japanese name of Count Kabayama's organization is "Kokusai Bunka Shinkokai."



## THE NEUTRALITY BATTLE

While the debate in Congress over the Navy's proposal to develop a naval and air-base at Guam Island (see issues of *The Review* for March 4 and 11) aroused considerable bitterness, the present congressional battle over the repeal or modification of the Neutrality Act is of much greater significance from the standpoint of the country's foreign policies. As in the case of the Guam debate, the real issue concerns American policy toward Japan. Also involved is the problem of Philippine Independence, scheduled to become effective in 1946.

But the Neutrality Act, originally passed in 1935 and revised and reenacted in 1936 and 1937, was designed, primarily, to prevent the United States from becoming involved in another European war. Few, if any of the framers of the Act, gave much thought to possibly adverse effects which the legislation might have upon the protection of American interests and preservation of peace in the vast regions of the Pacific. As a result of the fear that enforcement of the law would adversely affect China (and also handicap profitable sales of munitions to Japan) the law was never enforced here, although it was invoked in Mussolini's war in Africa and the civil war in Spain. The non-enforcement of the law in the Sino-Japanese struggle was made possible by a technicality—this was an "undeclared" war—hence it was not necessary for President Roosevelt to issue a proclamation declaring the existence of a state of war, which would have automatically brought into effect the embargo clauses (operative against victim as well as aggressor). As a result both China and Japan have been free to purchase munitions, airplanes and basic war materials in the American market.

But since it would not be possible to side-step recognition of a state of war in the case of another European outbreak, the Administration is now trying to repeal or amend the Neutrality Law in such manner that America's democratic friends in Europe—Britain and France—would be able to purchase munitions and other war requirements in the United States. Under the present law they would not be able to do so because of the enforcement of the embargo on arms and munitions and (in case of a Presidential proclamation) also upon other vital war products such as iron and steel and oil. Another clause in the present Law (popularly known as the cash-and-carry provision) would prevent American ships from engaging in the transportation of war or other materials to belligerent nations. The enforcement of this provision would not adversely affect Britain and France, which nations, presumably, would be able to control the sea and use their own ships for transporting their requirements from the United States.

But any law passed by Congress designed to assist the so-called Democratic nations in Europe, would also prove beneficial to Japan which is an aggressor country and a member of the fascist anti-comintern bloc! (See issue of the *Review* for March 25 and April 1).

Of course, what all Chinese and an overwhelming majority of Americans and citizens of most other countries would like to see is enforcement of an embargo on war materials destined for Japan. While the British were primarily responsible for the upbuilding of the Japanese fleet and the Germans for the training and upbuilding of the Japanese army, it has been the Americans, in recent years, who have been chiefly responsible for the fueling and equipment of Japan's swollen war machine.

Although the State Department has asked American airplane manufacturers to voluntarily cease selling their equipment to Japan, which definitely labels Japan as an aggressor, it seems ridiculous that a powerful and prosperous, intelligent and humane people, such as the Americans, like to regard themselves, are not able to find a means of putting an end to the Japanese menace, short of going to war about it. And even more ridiculous is the fact that Americans, through their philanthropic, religious and educational institutions, have

been compelled to shoulder the major portion of relief activities resulting from Japanese aggression. In short the American people, or at least the present administration, have not only permitted the Japanese to violate a treaty which is vitally important to the American nation, but also have permitted the Japanese to destroy millions of dollars worth of American business and mission property, and finally have been forced to finance relief for millions of unfortunate Chinese refugees driven from their homes by the Japanese invasion!

## NEUTRALITY ACT—A STRAIT JACKET

(*St. Louis Post-Dispatch*)

By the terms of the Neutrality Act, the United States has provided itself with what will prove to be a veritable strait jacket in a time of national emergency. It becomes the urgent duty of Congress to re-examine this law in the light of changed world conditions and to amend or even repeal it to safeguard the interests of the United States.

The Neutrality Act was originally passed in 1935, with the optimistic notion that a set of rules could be drafted in advance to keep the country out of another war. At that time, the world situation was comparatively tranquil. That was before Ethiopia, China, Spain, Austria and Czecho-Slovakia—even before Hitler's occupation of the Rhineland.

Our rosy dreams of comfortable isolation, on which the Neutrality Act was based, have been rudely dispelled. In the cold dawn of today, we know there are forces abroad in the world, hostile to everything our civilization holds dear, whose aggressions are hemming in France and Great Britain and are, therefore, coming closer to us, both from the East and from the West. And, though the oceans are still wide—but not so wide as they were before the submarine and the long-range bomber—it becomes essential for us to take such prudent measures as are necessary to meet the challenge of the Fascist Powers. This was partially recognized the other day by the House of Representatives when it passed the emergency defense bill with only 15 dissenting votes.

Unless the Neutrality Act is changed, we lack the freedom of action which may be essential to serve our best interests. Once a state of war between two or more nations is proclaimed by the President, the law prohibits the shipment of arms, munitions or implements of war, directly or indirectly, to any of the belligerents.

Another provision gives the President power to prohibit American ships from carrying articles and materials, as vital to war as arms, to belligerents, though they may buy such articles and materials here and take them away in their own ships. This is the so-called cash-and-carry provision. Parenthetically, it may be said that, in any alteration of the Neutrality Act, the excellent cash-and-carry idea should be preserved as a preventive of such controversies, both with Great Britain and Germany, as preceded our entrance into the World War. Other provisions of the Neutrality Act forbid the extension of loans and credits to warring nations and prohibit the arming of American merchant vessels engaged in commerce with belligerents.

It is not difficult to imagine a situation in which these provisions would rise to plague us. If France and Great Britain were to be attacked by the Fascist Powers, we could not sell them arms to defend themselves, though their defeat might mean the end of democracy in Western Europe and bring the menace of Fascism close to our own shores. If the French Army were conquered and the British Navy no longer sailed the Atlantic, even our most earnest isolationists might express fears for this country's future.

Already we have seen that the Neutrality Act is a misnomer. In the war between Italy and Ethiopia, it was invoked against both, yet Italy was free to come to our ports and buy oil and other products, while Ethiopia, having neither navy nor merchant ships, could not avail herself of this privilege. In the Spanish war, there has been no way of preventing Italy and Germany from purchasing arms and other materials here and bootlegging them into Spain. When the undeclared war between Japan and China broke out, Mr. Roosevelt failed to proclaim that a state of war existed and the Neutrality Act never went into effect. Thus, its impracticability was demonstrated in an international conflict of major proportions.

The Neutrality Act should be amended so that, in cases of emergency, the United States can aid those nations with which she has spiritual kinship or which are the victims of aggression, and can withhold aid from our potential enemies, or nations which engage in unjustified aggression. In other words, it should be changed to permit us to adopt a position of frank unneutrality when conditions demand it. Moreover, let us make the necessary changes with all promptness. If we should wait until a war breaks out, a change in the rules to favor one side or the other might be deemed an unfriendly act, if not an outright act of war.

The brighter side of the picture is that, if the United States should amend or repeal the Neutrality Act, it would have a sobering and deterrent effect on the aggressor nations. Such an action would serve notice on them that this country, with its great wealth and resources, might throw its support against them. If has often been said that Germany would never have gone to war in 1914 if the Kaiser and his advisers had been certain that first England and

then the United States would be found on the side of France. Only the other day, State Department officials were quoted as saying that repeal of the arms embargo clauses of the Neutrality Act would reduce the chances of war in Europe by at least 60 per cent, and perhaps to zero.

In any event, the time has come for this country, the strongest of the world's democracies, to assert itself. It has been said that the next war, if it comes, will destroy democracy and, if we become involved, that it will destroy our democracy. We must, therefore, do our utmost to prevent it by helping to restrain the aggressor nations. If democracy is worth saving, and if it is agreed that war will destroy it, let us act to save it by making the aggressors realize they cannot possibly gain anything by war and that they are defeated before they start.

The first order of business is for Congress to remove the self-imposed shackles of the Neutrality Act.

### DESPICABLE PROPAGANDA

(From a radio address by Senator Key Pittman)

"There is a propaganda going through this country today that would be despicable except that it is pitiful—preaching the doctrine of fear; fear that if we assert our right to enjoy religion, morality and justice and our right to liberty, that we will be forced into war."

"We are told that the legal things that the President has done to date are leading us into war."

"President Roosevelt, under the approved policy of our Government and the Neutrality Act, has no intention to lead us into war and cannot lead us into war. Every member of Congress is an elected representative of American citizens. Never in the history of the United States were such representatives more responsive to the will of their constituents. Congress, under the accepted policy of our Government, will not lead us into war."

"Why further impose upon the credulity and the fear of our citizens? Why join in the policies of appeasement or isolation that have not made for peace but for war throughout the world? Why not whole-heartedly support the honorable, peaceful and practicable policy of our administration? Every patriotic citizen will!"

### JAPAN AND THE GUAM ISSUE

(Walter Lippman in the New York Herald-Tribune)

Considering the way in which the authorization for Guam was presented to Congress, the action of the bi-partisan majority in the House was, it seems to me, fully justified. Nobody was thinking about Guam until the report of the Hepburn board appeared. That report was made by a committee of naval officers appointed by order of Congress, and when the report was published, it did not appear to have been officially considered and adopted by the administration.

The report contained one recommendation which was obviously debatable, that the United States proceed to the establishment of an advance fleet base at Guam. This recommendation was obviously debatable because essentially and primarily it involved a great question of foreign policy.

Under the interpretation of the Washington treaties which the United States officially insists upon in all its dealings with Japan, we do not have a legal right to fortify Guam. No doubt it is true that Japan has broken the Washington treaties. But the position of the administration has been and is that the treaties are still in force. That being our argument, it is our obligation to observe the treaties until by negotiation they are revised or by formal act they are abrogated.

Recognizing this position, the administration should have gone to Congress and said that it will be necessary to negotiate with Japan for a settlement in the Pacific with a view to determining whether the existing treaties are to stand or are to be revised. Since Japan is believed to have taken steps to fortify certain islands, the forthcoming negotiations will be on a better basis if Congress has authorized the fortification of Guam. Whether Guam is in fact to be fortified would depend, however, upon the outcome of the negotiations, and since nothing could be done to fortify without an appropriation from Congress, the question would come back to Congress for final decision.

The administration did not do this. For that reason the proposal had to be interpreted both here and abroad as a gesture of intimidation. It was, moreover, a poor gesture, the kind of thing that Theodore Roosevelt used to denounce as forcible-feeble. For while it contained an expression of general hostility to Japan, it contained little that could really impress Japan. Five million dollars for dredging a harbor and the like is no more than shaking a little finger Japan; actually the construction of a formidable base at Guam would take at least three years and probably five, would call for a large amount of money and would require the concentration of the fleet at Hawaii to stand guard while the fortifications were being constructed.

Instead of treating Guam as a diplomatic instrument in a negotiation with Japan, the administration found itself using Guam,

more or less inadvertently, as a feeble but provocative gesture. The majority of the House showed very good sense in rejecting it, and if the administration is wise it will accept this decision and be glad that the House has extricated it from a badly conceived project. The administration should then make a new start toward negotiations with Japan, treating Guam as an incident in the much larger problem of peace and security in the Pacific Ocean.

It now remains to be seen whether the Japanese will construe correctly the vote of the House. If they wish to understand what has happened, the Japanese will do well to begin by dwelling on the fact that everything else in the bill was adopted by virtual unanimity. These additional bases are the equivalent of a great extension of American naval power, and so it would be a grave mistake to think that Congress rejected the item about Guam because it is afraid, or because the United States is disposed to give any Power a blank check to do what it likes all over the Pacific Ocean. If Japan takes that view of the vote in the House, and expands her aggression, she will discover to her dismay how rapidly the House is capable of reversing its position.

What the House did mean to do was to extend an olive branch to Japan and to rid the United States of all suspicion that it is threatening Japan or is desirous of provoking war with anyone. If the Japanese were very wise they would respond by an equally conciliatory gesture of their own, and so begin to create an atmosphere in which negotiations could be undertaken.

Though the action of the House was characteristically American, foreigners abroad and also foreigners who are here among us, have the greatest difficulty in understanding the very peculiar American way of behaving in situations of this sort. Americans have been free for such a long time that they have developed a method all their own of reacting to situations where force is brought into play.

The sit-down strikes in 1937 are a good example to study. These strikes were lawless. But for quite a while the people were disposed



to tolerate them, partly because they did not take them very seriously, partly because they saw some justice in what the men were striking for, and partly because they are free men and so they do not like strong-arm methods by Government officials, partly because they are free and so very much disposed to mind their own business and not to meddle in someone else's quarrel.

Any foreigners who did not understand this country would have concluded in the winter of 1937 that the CIO was going to take charge of the nation, just as there are some who seem to think that the storm troopers in Madison Square Garden the other night are the nucleus of an army that is going to conquer the nation. But what happened to the sit-down strike epidemic was that after tolerating it for a while, the day suddenly came when the people had had enough. And being used to freedom based on self-reliance, they did not pass laws and organize a secret police; they formed volunteer vigilante committees, and in no time at all suppressed the whole nuisance. It is not very legal. It is not very formal. It is not very elegant. But it is, and always has been the American way of establishing the essentials of law and order when they are threatened by subversive and insurrectionary groups.

It applies in foreign affairs. The American people like to be let alone, and so they will put up with a lot for a while in the hope that if they do not pick a quarrel, the other fellow will not pick a quarrel with them. But they are not very patient. When they get fed up with something that seems to them wrong, they get very fed up with it.

That is why America, to the continual amazement of the rest of the world, has been at once so pacifist and so pugnacious. It would be well if foreigners here and abroad could grasp this characteristic of the American people. For it always asserts itself in critical times.



## Disillusioned Germans Turn to Chungking for New Trade Pact

BY JOHN AHLERS

THE new Sino-German barter agreement reported from Chungking came as a surprise only to those who all too readily believed that Berlin was prepared to sacrifice, on the altar of her political friendship with Japan, her major commercial interests in China.

Germany, however, thus far has failed to give any indication that she is as shortsighted as that. She appears, on the contrary, to be stubbornly determined to maintain what she can of her China trade. Germany is making a strong effort, in particular, to prevent British and American competition from getting ahead of her China commerce in the areas controlled by the Chinese National Government.

Apparently, the new Sino-German barter agreement is intended to some as a partial substitute for the former "HAPRO-Agreement," which at present is in a state of liquidation. The "HAPRO-Agreement" covered a large portion of Sino-German trade, especially export of German arms, munitions, and motor trucks to China, as well as Chinese shipments of metal ores to Germany.

The barter agreement appears to be much more limited. It provides for an exchange, between Germany and China, of goods to a value of \$10,000,000 according to a *Kuomin* report. Such a sum is not significant in Chinese-German trade, which even in recent months still turned over \$10,000,000 every fortnight.

In these circumstances, the new agreement will cover only a small portion of the commerce between China and Germany. It will probably not include exports to Germany of wolfram ore, since the Pekin Syndicate recently secured a practical monopoly of shipments of that ore from China. Whether or not the agreement provides for further supplies of German arms to China, remains to be seen. The fact that Japan recently lodged a further protest about the import of German arms into China indicates there must be renewed activity in that field.

Nevertheless, the Chungking agreement is of great significance. Germany is taking a new and active part in the Chinese National Government's efforts to maintain and enlarge the foreign trade of its sphere of power as a matter of fact. German private merchants never ceased to do so irrespective of present war developments.

It has not, as yet, been noticed in Shanghai, that German trade is actively sharing in the traffic along the overland routes leading to the southern land borders of China. Of late months, German commodities transported on the French Railway from Haiphong to Kunming surpassed the transports on that line of goods from any other country. On the Burma Road Chinese imports of German goods also are on the increase.

All of this is the more significant since Japanese military operations in South China have been designed to break down and destroy the remainder of South and West China's foreign trade. Germany and Sino-German trade, on the other hand, are again assisting China in her attempt to make the Japanese effort abortive.

The solution of this puzzle is to be found in the fact that the bulk of Germany's China trade continues to be carried on with those parts of China which have not yet been infected by the Japanese invasion. Last year, 54 per cent of China's imports from Germany went via Chinese-controlled ports.

The ports of Kwangtung Province alone accounted for half of the German exports to China. It was via these ports that were imported all of the G.U. 8,900,000 worth of German arms and ammunition sold to Chung-

king. Through the Kwangtung harbors also went the major part of the vehicles, chemicals, and pharmaceuticals sent to China from Germany.

The Japanese invasion of Kwangtung Province thus meant a serious blow to Sino-German trade in particular. Kowloon and Canton were the chief ports of entrance for Chinese imports from Germany, and their paralysis resulting from Nipponese capture of Canton adversely affected German trade interests in this country.

It must be realized that Japanese-occupied areas, despite Japanese promises, account for comparatively little in Sino-German trade. In these territories, Germany sold last year only 16 per cent of her exports to China, and most of this through the British and French Concessions in Tientsin. Another 30 per cent of German China exports went to Shanghai, but 54 per cent took its way to the areas controlled by the National Government.

In the case of the next important totalitarian friend of Japan in the Old World, i.e. Italy, the trade percentages are still more in favor of Chungking. Chinese imports from Italy last year totaled G.U. 7,700,000 whereof G.U. 5,500,000 worth of arms and munitions as well as G.U. 400,000 worth of other goods were imported via Kowloon. Another G.U. 1,500,000 worth of Italian goods went to Shanghai, while Italian exports to the Japanese-occupied areas were insignificant.

The minor totalitarians—Poland, Hungary, and Nationalist Spain—sold almost all of their China exports in Shanghai, and transacted no trade worthy of mention with the territories under Japanese control.

One of the fairy-tales by means of which Japanese propaganda again and again endeavors to bait the Occident is the legend that political friendship with Dai Nippon, and active sympathy with her war adventure in China, would be advantageous to business interests in the Japanese-controlled areas of this country, particularly for those western nations which are embarking upon a policy of "cooperation".

If Tokyo's propagandists, in this respect, for once spoke true, the totalitarian states of the Old World ought to have reaped substantial commercial advantages from the Nipponese invasion of China. Facts and figures, however, point to the contrary.

Comparing 1938 with 1936, Chinese imports from Germany decreased in Shanghai by G.U. 32,500,000; in other Yangtze ports by G.U. 2,000,000; and in Amoy by G.U. 500,000. These decreases totalled G.U. 35,000,000 but half of this export loss to Germany was made good by increases in imports from Germany via other Chinese ports.

In Kowloon, imports from Germany rose in 1938 over 1936 by G.U. 16,800,000 and in the trade across the southern land borders these imports increased by G.U. 400,000. In the Japan-occupied North China ports, on the other hand, there was a German import increase of only G.U. 800,000.

The above figures leave no doubt that German China trade during the present war suffered losses chiefly from the destruction which the Japanese invasion caused in Central China, and from the closure of the Yangtze Valley. They also show that those parts of China which, due to the continuation of armed resistance against Japan, remained independent, provided improved markets for German goods.

Japan's invasion of this country may have, temporarily, benefitted her own trade position, but it has un-

doubtedly been disastrous to the China business of her totalitarian friends in Europe. As a matter of fact, these totalitarians have suffered more from the Japanese invasion, in the field of their China trade, than has been the case with the western democracies.

In the first two months of this year, the Japanese Empire's share in China's imports was 40.24 per cent. Japan's share has doubled during the present war, since in January-February, 1936, it was only 20.39 per cent. The import share in China of all other countries together has been forced down from 80 to 60 per cent or approximately by one fourth.

The import participation in China of the totalitarian states in Europe, however, decreased by much more than one fourth. It declined from 15.5 per cent in January-February, 1936, to 7.5 per cent in the first two months of the current year. In other words it was cut in half.

This development not only shows up in import percentages but also in actual import values. Total imports of China during the first two months of this year were, as expressed in Customs Gold-Units, a little less than in January-February, 1936. Imports from the Japanese Empire, nevertheless, had increased in value from G.U. 14,500,000 to G.U. 27,000,000. Imports from totalitarian Germany, Italy, Poland, Hungary and Spain, on the other hand, had fallen from G.U. 11,000,000 to

G.U. 5,000,000.

The following table shows imports from totalitarian states during February of this year:

|         | Imports from   | Exports to   |
|---------|----------------|--------------|
| Germany | G.U. 1,988,491 | \$ 4,088,370 |
| Italy   | " 151,619      | " 61,161     |
| Poland  | " 18,495       | " 44,277     |
| Hungary | " 64,343       | " —          |

Imports from Spain were so insignificant that they were not specially listed in the latest Customs returns of foreign trade.

Germany accounts, according to the above table, for 90 per cent of imports and 97.5 per cent of exports in the China trade of Europe's totalitarians. Germany, the most prominent among Japan's political sympathizers, has been the chief sufferer from the decline in China trade of these friends of Japan.

This development appears to have induced Germany to give serious thought once more to the China problem, as her new barter agreement with Chungking tends to show. It also should give the western democracies something to think about. If Germany's China trade has not profited from close political understanding with Japan—what may reasonably be expected for the China business of western democracies which might acquiesce in Nipponese conquest in China?

## Will the German-Japanese Alliance Crack Up?

(EDITORIAL CORRESPONDENCE)

A year ago there was still some doubt as to whether or not the German-Japanese alliance was worth while for either party. Germany, and in the second place Italy, were then China's biggest suppliers of arms and ammunition, as clearly revealed by the official Chinese customs returns, under the innocent-looking heading "miscellaneous." The figures in this column were much smaller before the war and have tremendously increased ever since the outbreak of hostilities. There can be no reasonable doubt as to their meaning. At the time when Germany recalled her advisers, she also promised to be good in future and not deliver any more arms to the naughty Chinese. Yet in last week's *Review* (page 136) attention was drawn to a *Havas* message from Berlin reporting that General Oshima, the Japanese Ambassador, had recently called upon Reich Foreign Minister von Ribbentrop with a request that Germany immediately discontinue selling arms and munitions to the Chinese Government.

Shortly after this, news was received that a new Sino-German barter agreement had been concluded. Apparently the Fatherland stands very much in need of foreign exchange, and precisely like the famous Roman Emperor who taxed the *cloaca maxima*, decided that money does not stink. A few historical data concerning the Sino-Japanese hostilities are definitely worth salvaging from oblivion. General von Falkenhausen, head of the German advisers, was generally credited with having contributed to the victorious outcome of the battle of Taierhchwang for China. Incidentally, this was the first crushing defeat suffered by a Japanese army since Chinese armies, at the request of the King of Korea, then under Chinese suzerainty, drove the Japanese invaders out of that country in 1598 A. D. German anti-aircraft guns played havoc with Japan's black-winged bombers, both at Nanking and Hankow.

While thus Japan in many ways got cold comfort from her partner in the all-Aryan axis, Germany also has been getting more than merely love and kisses.

German newspapermen and German businessmen in China have suffered almost as much at the hands of the Japanese as have nationals of other countries, not in

alliance with Japan. Japanese action in China threatens to destroy Germany's most promising market, a fact which the German Chamber of Commerce clearly realized and about which the Germans in China have repeatedly protested. The Italians also had their share of unpleasant experiences. Due to Japanese smuggling, the local rayon market for a time suffered a complete collapse and during many months, not a single bale of Italian rayon was sold in this city.

Though it is fashionable now to lump together the three "Fascist" states, Germany, Italy and Japan, the fact that their social structure is far from identical should not be overlooked. It is not surprising to find that in consequence of this, there are also ideological divergencies galore.

In the first place, it cannot be seriously maintained that Japan is "Fascist."

In Japan there is, unlike Germany and Italy, a direct and unbroken connection with the feudal past. There is no mass movement supporting the government. The latter rests on unquestioning obedience rather than on active support. Innumerable schemes for replacing the traditional parties, or merging them into one, or by some other means concocting a new Fascist Frankenstein of nationwide appeal, have come to naught, in spite of influential backing. In Japan, there is no secret police nor are there semi-military organizations of the European model. Most of the functions which these dreaded helpmates of Fascism perform in Europe, in Japan fall to the lot of the military and the regular police.

The racial theories of Germany are too well known to need elaborating here. If the Nazi viewpoint is carried to its logical conclusion, a feat which some of the more rabid Nazis seem quite willing and able to perform, an alliance of the Nordic heroes with an inferior colored people must, of course, be entirely out of the question.

As is generally known, non-Aryans, like skunks, have only one ability, i.e., to make things unpleasant for their betters. They are—by definition, so-to-speak, if for no other reason—unfit even for rendering assistance to God's chosen blonde beasts. The "Aryans,"



on the other hand, are among the races what the lion is among the beasts.

Unfortunately—or shall we say fortunately for the rest of the world—the more violent among the Japanese Empire-builders are in a perfect position to beat the Nazis on their own ideological ground. Japan, the chosen country of Amatarasu-no-kami, the Sun Goddess, was created first and foremost, the inferior outer world came into being at a later date. The countries of the “Setting Sun”—a phrase by which the Japanese papers are wont to refer to Europe and America—have no future whatever. Their sordid materialism is overdue for replacement. The rising tide of spiritual values emanating from the cherry blossom country will swamp them into deserved oblivion. Hitherto, the white peoples, very small proportion of the human race, have for their own benefit exploited the colored peoples which make up the vast majority of mankind. It is the sacred mission of the Yamato race to lead the weaker colored brethren onto the road of emancipation and to liquidate, once and for all, the dread “white peril.”

Incidentally, these Japanese pet ideologies contain the dynamite of future upheavals. Their potential appeal to the peoples of Asia is enormous. Should Japan ever turn from her present path of conquest, which indicates all too clearly that she is merely bent upon replacing white domination and exploitation by her own, and after experiencing that change of heart, make up her mind to step warily, her influence is bound to increase rather than decrease. Any Westerner who these days allows himself the costly luxury of racial prejudice is merely adding fuel to the flames of another future holocaust.

Considering these matters from a practical point of view, the divergencies between Japan and Germany may even be said to be emotional rather than merely ideological, potentially at least. At any rate, the incongruity is wide enough to supply ample raw material for the push button press of the nations concerned, should their masters ever find it opportune to whip up warlike feelings rather than those in the fashion at present.

Cynics have gone so far as to suggest that, from the very beginning, the Germany-Japanese bedfellowship has been unhappy on account of mental reservations on both sides. Japan's idea, they claim, was that Germany should support Japan, while Germany's idea is said to have been that Japan should support Germany. The cynics overlook the point that any alliance, however firmly established, faces precisely that same difficulty and that generalities, even if summed up in an amusing formula, do not explain much. An alliance is on a reasonably firm footing, not if there is no divergence whatever of interests—in that case angels only would be fit to come to terms—but if the partners have more common than contradictory interests. Put to this test, the German-Japanese pact is fundamentally sound, as long as it does not become an outright military alliance.

Any realistic appraisal of the situation will at once arrive at the conclusion that the two countries cannot render each other much direct assistance, for lack of geographic proximity, if for no other reason. It is true enough that Japan is now swarming with German advisers and that her “Six-Year-Plan” for rearmament offers some scope for German cooperation. Yet it is by far not as beneficial to the Reich as it might be if Japan were able to dispense with large amounts of foreign currency. In this connection it is of interest to note that Germany and “Manchukuo” have concluded a barter agreement which practically amounts to paying for German industrial aid with agricultural products, mainly soya beans.

On the other hand, Germany continues riding the fence in China. While one German news agency is strongly pro-Japanese, the other one continues to be

pro-Chinese. The outcome of the war is still uncertain and Germany does not want to be in bad with any potential victors or survivors.

All this does not mean that the alliance is without value. Admiral Suetsugu, the Japanese Minister of the Interior, was quite right in explaining in an article which appeared in *Kuokoron* magazine about a year ago that Japan is utilising Germany to threaten and check Russia in the Far East and that she is using Italy to check Great Britain, thus succeeding in creating serious difficulties for her most important antagonists. If the countries named were free of the European troubles for which the tri-partite alliance is largely responsible, Japan's adventure on the Asiatic mainland would never have become possible. Thus, politically, Germany and Italy are getting exactly the same things out of the alliance that Japan gets out of it. If Russia and Britain were free of Far Eastern troubles, Germany and Italy would be far less successful in Europe. This is the real significance of the pact.

The alliance does not necessarily imply that Germany should voluntarily renounce her interests in China or forego supplying the latter with armaments. As long as she is exerting pressure on the anti-axis powers in Europe, she is doing all that may be reasonably expected of her within the framework of the alliance as it stands. It does not make any difference whether or not Germany is primarily seeking her own interest. The Japanese are perfectly well aware of this, and their part of the ledger does not look any different. There are strong reasons to suspect that as regards China, Germany would much prefer the status quo to an outright Japanese conquest, because she does not want to see the entire China trade concentrated in the hands of a few Japanese monopolists. This is probably the main reason why Germany is still rendering active support to the Chinese and why she was sincere in her repeated attempts at mediation, seemingly, but not really, in contradiction to the tripartite alliance. Germany also does not want her anti-Comintern partner to waste herself away in this seemingly interminable and profitless China adventure.

J.

## Perhaps the N.C.D.N's. Office Boys Are Too Old!

On March 4, *The China Weekly Review* published a report about a large number of Chinese youths in Shanghai, who had banded together and departed for the interior to join the Chinese armies. One particular group which departed from Shanghai late in February consisted largely of youthful office boys employed in Shanghai business houses. Most of them were students in a local night school where the ideal of slipping out of Shanghai and joining the army originated. The *Review* learned of this through the disappearance of one of its own office boys, a youth named Hsia Hsin-yuan, 17 years old. After he had been gone two days and his relatives had made inquiry about him, an investigation disclosed the fact about the movement which had been going on for some time.

After the report was published in *The Review*, the local acting correspondent of *The London Herald* saw it and sent it to his paper. In due course the paper containing the item arrived in Shanghai and attracted the attention of the editor of the *North-China Daily News*, senior British paper in Shanghai. Not having heard of the great movement of students to join the armies, the editor of the N. C. D. N. published a sarcastic paragraph questioning the accuracy of the original report.

On Monday of this week, *The Review* received a letter from its former office boy, which was written at the town of Pinghsiang, Kiangsi on March 10. The letter was as follows:

Pinghsiang, Kiangsi  
March 10, 1939.

“Dear Sir:— I hope that you received the letter which I mailed you at Wenchow. Owing to lack of time, I feel regret that I cannot write full details about my journey earlier. I wish you all enjoy good health and will let me hear from you constantly. The following is my report for the journey.

“Wenchow, March 3 we get up at 3 o'clock in the morning to get on boat. We bought a half-priced ticket for \$1.75 each. But the launch did not arrive at the jetty until 6 o'clock and sailed at 8 o'clock along the Wu Kiang for Wenchu, 90 li

form Wenchow. Due to the shallow water the boat move very slowly, arriving there at 1 o'clock in the afternoon.

"The highways around that section (Wenchow to Wenchu) have been destroyed by the Army, otherwise we could take bus.

"From Wenchu to Tsingtien, with a distance of 30-li, the boat cannot go forward due to little depth of water and we must hire some man-power to pull the boat. Arriving at Tsingtien at 4 o'clock the same afternoon. The bus service is operating there so we rode the bus for Lishui; it runs 4 hours to Lishui. We stayed at Tung Hsin Hotel for the night. I am pleased and enjoyed very much the trip, mountains, waterfalls, wonderful trees, etc., great difference from Shanghai.

"Got up at 6 o'clock next morning (March 4) and we again ride on bus for Kin-hwa, reached there at 2 o'clock in the afternoon. The car was stopped five times halfway for repairs. It was raining and we got out and pushed the car.

"At 10 o'clock the same night, we got on a train from Kin-hwa for Pinghsiang, 120 li from Kin-hwa. When at Lungyu our party met a little trouble with the ticket inspector, as we did not buy any ticket. The inspector said to us, 'I heartily sympathize with your ardent movement, but you have to buy a ticket.' The cost is \$13.40 and how could we offer so much money and were compelled to get down off the train and were exposed under the eaves of the station for the rest of the night, suffering not a little from the wind, rain and hungry, yet we all did not feel any discouragement for our further advance.

"At 4 o'clock the next afternoon (March 5) our party was carried to Yushan by cargo trucks and then we changed to train to Pinghsiang, and did not meet another incident.

"I wish you could send me some postage stamps as I have no money to buy it and am afraid I could not write you from time to time without stamps.

HSIA HSING-YUAN

It has been suggested that the reason the editor of the N. C. D. N. was not aware of the movement among Shanghai youths to go inland and join the army, was because the N. C. D. N.'s office boys probably all range from 60 to 70 years of age—having joined the paper when the "Seventy-Years-Age" column was current news! If the editor of the senior British paper desires to see our office boy's

letter, we shall be glad to show it to him. But it would be expecting too much to hope for a correction or apology for its previous editorial paragraph! However, the editor might, with considerable benefit read another article on the subject of the youth movement which we published on March 25. It dealt with the 20,000 urchins, "Little Devils," who have joined the Eighth Route Army.

## Dr. J. C. McCracken Honored on 65th Birthday

Dr. J. C. McCracken, dean of St. John's University Medical School and head of the American Hospital for Refugees, was the guest of honor at a testimonial dinner given by some 200 alumni of the institution on Thursday evening of last week. In addition to graduates and former students, there also were present representatives of medical associations and hospitals in the Shanghai district, including Dr. K. C. Wang of the China Medical Association, Dr. Z. T. Wang of Margaret Williamson Hospital, Dr. E. S. Tyau, well known physician who is one of the oldest alumni of the school. Dr. F. L. Hawks-Pott, President of the University, was also present and extended his felicitations to Dr. McCracken on his 65th anniversary. Telegrams were also received and read at the dinner from individuals and associations abroad. A pamphlet written by Dr. Amos Wong, member of the faculty, containing congratulatory messages was distributed at the dinner. Dr. McCracken, in the course of his address, stated that more than two-thirds of the faculty of the medical school are Chinese and all are graduates of the University. Other guests included Carleton Lacy of the China Bible Society; Dr. J. H. Jordan, head of the Department of Health of the International Settlement; Dr. H. S. Morris of St. Luke's Hospital; Dr. John Earl Baker of the China International Famine Relief Commission. The commission in charge of the dinner, in addition to Dr. Amos Wong, included Dr. C. C. Loh and Dr. T. M. K. Siao, the last mentioned being the oldest medical graduate of the school. Dr. McCracken is a graduate of the School of Medicine of the University of Pennsylvania. He was born at Lincoln, Tennessee, was married to Miss Helen Newpher in 1916 and came to China the same year.

## Wang Ching-wei Still Intriguing Against His Country

FRESH intrigues of the most sinister character designed to bring about the collapse of China's resistance and to force her to capitulate to Japan are unfolding themselves in the latest activities of Wang Ching-wei, who appears now to be giving himself up entirely to the Japanese in order to wreak vengeance upon the Chungking authorities.

In addition to his latest lengthy outburst which was evidently inspired by the assassination of his henchman, Tseng Chung-min, Wang is said to be working intimately with the Japanese to hasten the downfall of the National Government. An understanding is reported to have been reached between Wang and the Japanese Premier Baron Hiranuma, whereby Japan had furnished Wang with the sum of \$4,000,000 to finance his intrigues. Wang is alleged to have recommended to the Japanese that they should speed up their drive on Nanning and Sian, principal centers of Chinese resistance in the Southwest and the Northwest, so as to expedite the collapse of China's defence.

Meanwhile, plan for the formation of a new puppet central government at Nanking are rapidly maturing. It is intended that such a regime should be brought into existence as soon as the Japanese succeed in occupying the entire stretch of the Canton-Hankow Railway. Wang is slated for the presidency of the regime, which will undertake the task of negotiating and concluding peace with Japan.

### Envoys to Tokyo

To cultivate closer contact with the Japanese, Wang recently sent two of his followers to Tokyo in the person of Chou Fu-hai and Kao Tsung-wu, former director of the Central Publicity Department and director of the Asiatic Affairs Department of the Foreign Office, respectively. Prior to their departure for Japan, Chou and Kao visited Shanghai, staying at the Broadway Mansions, and conferred with the

local Japanese authorities.

Wang Ching-wei's latest "peace" statement circulated by *Domei* on April 1, deserves more than passing notice. His main contention is that cooperation with Japan is the "indispensable way" for China to maintain her existence and independence and to bring about stability in East Asia, instead of following the "common road" to destruction by continuing hostilities. Wang attempts to create the impression that China is fighting Japan, not because her independence is threatened, but because she is trying to achieve internal unity through resistance. He said "If resistance is resorted to as a means of bringing about internal unity, I am absolutely against it." The statement characterized the assassination of Tseng Chung-min as the first sacrifice to the cause of peace, and said Tseng "has marked with his own blood the way for us to travel onward to co-existence and co-prosperity."

The statement gave interesting revelations of the mediatory efforts by Dr. Oskar Trautmann, former German ambassador to China, in November 1937, and asserted that the peace terms contained in the statement of the former Japanese premier, Prince Konoye, issued on December 22, 1938, were far less stringent and more favorable to China than those offered through the German envoy. Wang said that as General Chiang Kai-shek and high officers of the government considered favorably the German proposals as a basis of negotiation, he could not understand why the Konoye statement was entirely ignored. The rejection of the Konoye "peace offer" was described as the loss of a "favorable opportunity" and he regretted that the National Government failed to take advantage of it.

Wang quoted extensively from a verbatim report alleged to have been made by Dr. Hsu Mo, vice-minister of foreign affairs, (who accompanied Dr. Trautmann to Nanking to see Gen. Chiang Kai-shek

in Dec. 1937,) at a session of the Steering Committee of the Supreme National Defence Council held at Hankow on Dec. 9, 1937. In his report, Wang said, Dr. Hsu enumerated the following conditions presented to China through the German envoy on Nov. 28 and 29, 1937.

### Japan's Terms

"1.—The autonomy of Inner Mongolia;  
"2.—The enlargement of the area in which Japanese troops should be stationed in North China, but the administrative rights of North China, will remain with the Central Government;

"Japan wishes that an anti-Japanese person will not be appointed as the highest leader of North China. The above condition is acceptable if the conflict is to be brought to an end now, but should a new regime be established in North China, this should be allowed to continue. If the conflict is to be brought to an end now, Japan does not intend to establish a new regime in North China. Japan is prepared to continue negotiations now under way for the exploitation of mines in North China so as to bring them to a conclusion;

"3.—The extension of the demilitarized zone in Shanghai. The Japanese Government has not yet made clear the extent of the expansion of the zone or the method to be resorted to in effecting it, but will not alter the administration of Shanghai;

"4.—With regard to the anti-Japanese question, a settlement is desired along the lines agreed upon by Ambassador Kawagoe and General Chang Chun (Chinese Foreign Minister). Details are but a technical issue.

"5.—Anti-Communism. Japan hopes that China will take certain measures to deal with this problem;

"6.—Revision of the Customs Tariff;  
"7.—Respect for the vested rights of foreigners in China.

According to the report, Dr. Trautmann expressed his desire to see Gen. Chiang



Kai-shek who was then in Nanking and Gen. Chiang promptly consented to receive him. Dr. Hsu continued: "Dr. Trautmann and I arrived at Nanking on Dec. 2 and I immediately conferred with General Chiang Kai-shek, who said, after reflecting at length, that high military officials then in Nanking should be consulted.

"When I went to see General Chiang at 4 o'clock that afternoon for the second time that day General Ku Chu-tung, General Pai Chung-hsi, Kwangsi leader; General Tang Sheng-chih (member of the standing committee of the Military Affairs Council); General Hsu Yung-chang (former member of the Peking Political Committee), and others were assembled around General Chiang.

### No Collateral Conditions

"Upon my reporting Dr. Trautmann's mission in coming to Nanking these military leaders asked me questions as to whether the stated peace conditions had any collateral conditions and whether they provided for limitations on Chinese armaments.

"To these I answered that, according to what Dr. Trautmann stated, these conditions were shown in their entirety and had no collateral conditions.

"General Chiang, in consulting the officers present as to whether or not an armistice should be concluded, first asked General Tang Sheng-chih, who was unable to reply at once. General Pai Chung-shi was asked for his views, whereupon General Pai said: 'If these are the only conditions what are we fighting for?' I said, 'The conditions presented by the German Ambassador are only these few conditions.'

"General Chiang then asked General Hsu Yung-chang what his views were. General Hsu said: 'If these are the conditions, we should accept them.'

"General Ku Chu-tung, questioned, said, 'We should agree.'

"General Chiang again asked General Tang, who agreed with the majority.

"General Chiang then said that the peace proposals, as made through Germany, should not be rejected, as the conditions did not subjugate China, and that it was necessary to keep the North China regime alive.

"At 5 o'clock the same afternoon General Chiang and Dr. Trautmann had a conversation at which I interpreted. Dr. Trautmann asked General Chiang just what he had previously asked Dr. Wang Chung-hui and Dr. H. H. Kung at Hankow, only adding that if the Kuomintang were to continue hostilities without accepting the present proposals, the peace conditions which might be made by Japan in the future would be far more exacting and rigorous than those now presented.

### China Said Willing

"To this statement by Dr. Trautmann, General Chiang answered: 'Although Japan cannot be trusted, Japan blithely breaks treaties and her assurances cannot be counted upon. China appreciates the good offices offered by Germany, with whom she is on good terms. She also appreciates the good faith of Germany. In negotiating peace upon these conditions, however, I would like to have Your Excellency kindly report to Berlin on two points, namely, that Germany is requested to act as arbitrator throughout the Sino-Japanese negotiation and that the administration of North China should be strictly maintained. China is willing to enter into peace negotiations within the above conditions, which are tantamount to the fact that Japan should not assume the attitude of a victorious power, and that her peace proposals should not be made in the form of an ultimatum.'

"In reply to these remarks, Dr. Trautmann asked to be permitted to say that,

in the face of realities, the Chinese Government had better not make demands to which it was not fully entitled.

"General Chiang Kai-shek then requested Dr. Trautmann to see if Germany would also use its good offices to advise Japan to conclude peace. Dr. Trautmann promised to convey the two points brought up by General Chiang to the Berlin Government. Reichsfuehrer Hitler also wanted to make peace proposals to Japan and China equally, Dr. Trautmann stated.

"General Chiang further said to Dr. Trautmann, that if Japan was to pose as a victorious nation and contend that China had already accepted Japan's peace proposals, then China would be unable to resume peace talks. Concluding his conversation with General Chiang, Dr. Trautmann expressed the opinion to me that it was very successful.

### Not An Ultimatum

"Dr. Trautmann also told General Chiang at Nanking that these conditions

should be suppressed.

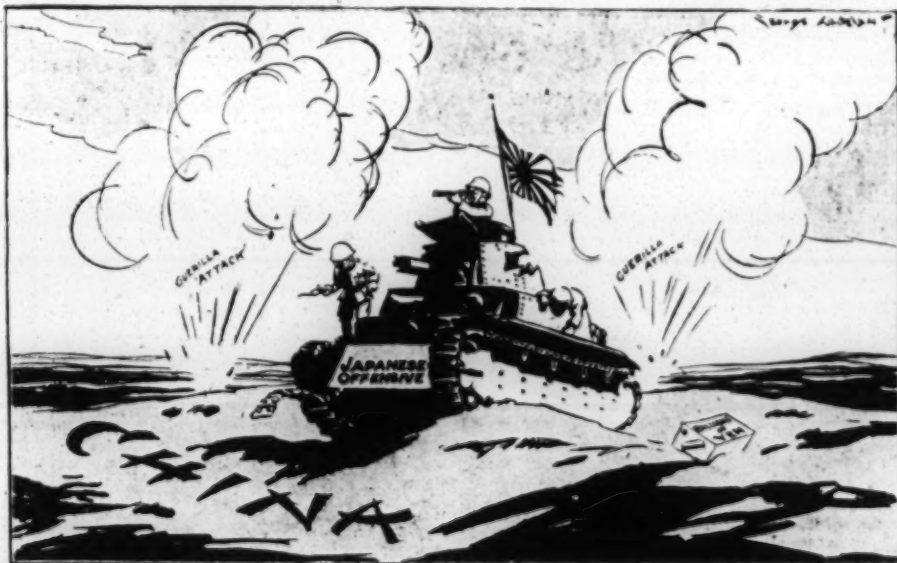
Referring to the alleged objection of third powers against the conclusion of peace, Wang asserted that China's diplomacy should by all means be independent and there was no necessity for considering the opinions of other countries in such vital matter as the making of war or peace.

Rounding up his criticisms against opposition to his peace policy Wang declared that the "common road" to co-existence and co-prosperity for China and Japan lay in their cooperation and unless they cooperate sincerely for peace, both would follow the common road to destruction.

Finally, Wang revealed that in the middle of February he was approached by a member of the National Government who tried to persuade him to go abroad, but he said that he had refused the request.

A late dispatch from Hanoi by *Domei* claimed that three "prominent" Chinese had arrived there, attempting to contact Wang in an effort to induce him to take a trip abroad. The three men were said

### Guerrillas—Elusive As The Elusive Pimpernel



London Daily Herald

were not an ultimatum. The German Ambassador dispatched a cable to Berlin via Tokyo from the boat on his return voyage, but subsequent developments were not yet known, as a reply has not been received by Dr. Trautmann since then," Dr. Hsu's report concluded.

The main purpose of Wang's citing at length Hsu Mo's report is to show that Gen. Chiang Kai-shek and the National Government had no reason to reject the peace terms outlined in Prince Konoye's statement. Wang argued that in the first place, the German proposals were far more exacting than these in the Konoye statement and secondly, while the former were regarded favorably by Gen. Chiang as a basis of negotiation, how could it be that the latter should be regarded as being incapable of forming such a basis. In Wang's opinion, there is no valid reason for continuing hostilities when there is an opportunity for peace, and the present resistance is resorted to only as a means of bringing about internal unity, which, he said, he absolutely opposes.

### Wang Attacks Communists

Next Wang turned his attack on the Communists and the foreign powers. He said that the policies in favor of creating disturbances are inherent in the Communist Party and they undergo no change whether in times of peace or war. If the talk for the conclusion of peace should afford opportunity for the Communists to start disturbances, Wang said, their activities

to have been sent by Madame Chiang Kai-shek, now visiting in Hongkong. According to *Domei*, arrival of these envoys is indicative of the adoption by the National Government of more peaceful and persuasive measures against Wang following the recent abortive attempt on his life.

### Craigie's Shanghai Visit

Commenting on the impending visit to Shanghai of Sir Robert Craigie, British Ambassador to Japan and the current rumors that the trip is linked with a British plan for some kind of diplomatic intervention in China, the Tokyo *Asahi Shimbun* warned that Japan would not tolerate any interference in her relations with China by third powers. The paper cautioned that Britain should concentrate her diplomatic efforts in Europe, otherwise she would find it difficult, in the event of a European conflict, to protect her interests in Singapore. The *Kokumin Shimbun* demanded that Great Britain should give up Hongkong. Any British attempt to intervene in China was bound to fail, the journal contended, "unless and until British statesmen get rid of their old idea of East Asia and cooperate with Japan in the construction of a New Order by renouncing all political rights in China."

Two unidentified airplanes suddenly appeared over Pinghsiang, Korea, on March 29, according to a report from Hongkong. Tons of handbills were dropped, urging

the populace to rise against the Japanese militarists.

An imposing array of puppet dignitaries from Japanese-occupied areas in China, Manchukuo and Mongolia arrived in Tokyo last week to attend the so-called Mayors' Conference on Asiatic Development. They included Fu Siao-en of Shanghai, Kao Kuan-wu of Nanking, Hou Yu-wen of Peking, Chu Kwei-shan of Tsinan. The North China delegation was headed by Wang Ying-tai, puppet minister of industries of the Peiping regime.

Repudiation of all loans and credits extended by foreign powers to Gen. Chiang Kai-shek's administration was one of the main decisions reached at the meeting of the so-called Joint Commission of the Peiping and Nanking regimes held at Nanking last week. The meeting took special exception to the recent British credit loan of £10,000,000 to China and expressed the view that the real intention behind this action of the British Government was to "obstruct the restoration of peace in East Asia." The meeting also recalled that when the Joint Commission was formed, warning was communicated to various European and American powers that unless they ceased assisting Gen. Chiang with funds and supplies they would be regarded as "public enemies" of China.

Following the meeting, the Peiping delegation headed by Wang Keh-min left Nanking last week-end for Shanghai en route to Peiping. Wang was accompanied by Wang, I-tang and Chu Shen, members of the Peiping administration. Prior to their departure for the north, presumably by airplane, they conferred with the Japanese authorities in Shanghai.

Tragedy featured the celebrations in Soochow in connection with the first anniversary of the formation of the Nanking regime on March 28. The chief victim on the occasion was Feng Sing-chi, one of the leading puppets in Soochow and chairman of the so-called "Dai Min Hui" (Great People's Society), pro-Japanese organization. Feng was killed after being fired at by unknown gunmen in a tea shop. The shooting was the culmination of three days of minor disturbances. Another incident was the burning of three of the street arches built for celebrating the anniversary.

Rigid censorship prevented the leaking out of news of the assassination of several important Japanese officers in Tientsin, according to a report from that city received at Hongkong. On April 1, a Japanese officer was shot by an unknown assailant in front of Queen's School for Girls, north Haikwangssu, Tientsin, and died almost instantly. The name of the dead officer remained a secret.

A virtual monopoly over the navigation on the Yangtze has been acquired by the Japanese shipping firm, Nisshin Kisen Kaisha, whose ships are plying freely between Shanghai and all the leading ports along the river in Kiangsu and Anhwei provinces. Through special arrangements with the Japanese military and naval authorities, the company has been granted many privileges not enjoyed by shipping interests of other nationalities. Merchants who ship their goods on the N.K.K. ships are not required to apply for special permits from the Japanese authorities in Shanghai, as such permits can be obtained on the ships, and freight carried is not subjected to search by the Japanese authorities.

### Chekiang Situation

In view of the Japanese attempt to invade the east Chekiang coast, Chinese military authorities in Chekiang have ordered that only seven passenger ships and 11 freight ships will be allowed to ply between Shanghai

and Ningpo. Schedules of sailing of these ships also been fixed by the military authorities on the principle that each ship will make a total of six trips every month.

Conversion of the old Woosung Forts into a huge fortification project is being planned by the Japanese military authorities. Large quantities of materials are reported to have been shipped to Woosung for the construction, which will take some ten months to complete at an estimated cost of \$3,000,000.

Some 150 puppet troops stationed at Sin Lung-hwa, Nantao, mutinied on the night of April 2. After fighting the Japanese garrison there, the mutineers are reported to have joined the guerrillas operating in the Nantao district.

A Manchukuo visa office will shortly be opened in Shanghai, according to information from the Japanese Embassy. At present, visas for visitors to or travellers passing through Manchukuo can be obtained in Peiping, Tientsin and Dairen, but with the opening of the Shanghai office, they will also be issued locally.

A net profit of Yen 127,000 was made last year by 21 factories and coal mines at Taiyuan, capital of Shansi, operated under the auspices of the Japanese military authorities, according to a *Domei* report.

### Assistance from Abroad

Despite strenuous opposition by Japan and the Japanese-inspired agitation in Nanking, more and more foreign assistance to China is forthcoming. One of those powers to extend such assistance is no other than the Japanese ally, Germany, which recently concluded with China a new trade barter agreement, under the terms of which China and Germany will exchange goods to the value of \$10,000,000 annually. China will export raw materials to Germany in return for German manufactured goods, presumably munitions.

Also indicative of the favorable turn of German's relations with China was the presence of many high officials of the German government, the Germany Army and leaders of German industry and finance at a dinner given in Berlin by the China Study Society and the Far East Association in honor of the Chinese Ambassador, Chen Chieh. Conspicuous among the guests were the Reich Minister of Communications, Dr. Dörpmueller, General Baron Von Falkenhausen, former military adviser to the Chinese Government, Lt.-Gen. Hermann Kriebel, former German consul-general at Shanghai, and Maj.-Gen. Thomas. Speaking on the occasion, Mr. Chen said that the large gathering present was an encouraging sign, as it led him to hope that Germany's feelings of affection and sympathy for China would be preserved even in this time of distress.

Another important country to proffer help to China is Belgium. According to an announcement by Dr. H. H. Kung, a Sino-Belgian credit loan of £20,000,000 has been concluded. Dr. Kung also revealed a recent credit loan of U.S.\$12,800,000 from the United States which, together with the former loan of U.S.\$25,000,000 on the security of wood oil exports, brings the total of American loans to China to U.S.\$37,800,000.

Meanwhile a Soviet credit loan is also under negotiation and will shortly be concluded. The Soviet authorities are said to have decided to give China substantial financial assistance in her hour of need.

The Japanese report that a Sino-Soviet military alliance had secretly been concluded was categorically denied in Moscow. The rumor, authoritative circles in Moscow declared, probably arose from the announcement of the impending visit to Moscow of Dr. Sun Fo, president of the Chinese

Legislative Yuan, who, according to a Japanese report, has already arrived at the Soviet capital.

Under the auspices of the Sino-Soviet Cultural Association, a Sino-Soviet Cultural University will soon be established in Szechwan with the object of promoting cultural relations between the two countries.

Replying to comments abroad on the official announcement made at Chungking on March 26 on the subject of loans secured on the salt revenue, a spokesman of the Ministry of Finance made the following statement.

"Important aspects of the action taken are:

"1. Pending the conclusion of the debt negotiations which have been initiated, salt-secured loans are being treated in the same way as loans secured on the Customs, to which the announcement made on Jan. 15 relates. That is, a share on the service is being set aside in special accounts in the Central Bank.

"2. The Sino-French loan coupon due on April 5 is, however, being paid as a special case because fiscal agents already have on hand, from payments previously made to them, funds sufficient to cover this coupon.

"3. The Chinese Government is negotiating with representatives of the creditors, and hopes to arrive at a reasonable agreement to maintain the debt service, so far as it is practicable under existing conditions."

### Neutrality Act Revision

Much concern is being felt in Chungking over the recent move of the United States government to revise the Neutrality Law. In a joint cable to Col. H.L. Stimson, former U.S. Secretary of State and honorary president of the Sino-American Cultural Association, T. V. Soong and Shao Li-tzu, chairman and vice-chairman of the China Branch of the International Peace Movement, urged that the new Neutrality Law should discriminate between the aggressor and the victim of aggression. Pointing out that the Japanese invasion is in flagrant violation of international agreements, the messages urged that in revising the Neutrality Law, the United States should make it abundantly clear that the law will operate against the aggressor state and in favor of the victim of an aggression.

Sir Archibald Clark-Kerr, British Ambassador to China, is expected to visit Chungking in the middle of this month, according to an announcement by the Foreign Office.

At the request of the Chinese Government, the League of Nations has agreed to keep in China for another year its corps of health experts, so that they may continue to assist Chinese health authorities in controlling and combatting epidemics. Geneva's latest decision to spend another 1,500,000 Swiss francs this year in protecting the Chinese masses against epidemics is said to be deeply appreciated by the Chinese National Health Administration at Chungking.

Foreshadowing a general offensive soon to be launched on the south China front, Gen. Chiang Kai-shek recently made a flying visit to Kweilin, Kwangsi capital, where he summoned an emergency conference with various commanders to map out details of the campaign. Those who attended the conference included Gens. Pai Chung-hsi, Chang Fah-kwei, Yu Han-mou.

### Chiang's Two-Year Plan

In a circular order to military and civil authorities throughout the country, Gen. Chiang instructed that a two-year plan for military and political reforms in their respective areas be drawn up and submitted to the central authorities for approval and enforcement. The aim of these reforms



is to coordinate military and political activities during the war of resistance.

Gen. Chang Tzu-chung, commander of the government forces along the Han River in Central Hupeh, and formerly Mayor of Tientsin, was commended by Gen. Chiang Kai-shek on the bravery of his troops.

Maj.-Gen. Chiang Ching-kuo, vice-director of the Peace Preservation Bureau in Kiangsi and elder son of Gen. Chiang Kai-shek, arrived at Kweilin from Kiangsi by air en route to Chungking to report on the situation in Kiangsi.

Lt.-Gen. Yoshizo Umetzu, of "Houmetzu Agreement" fame, described as the commander of Japan's 1st Army Corps in North China, was killed in action on March 23 in a severe engagement near Shulu, in Central Hopei, southeast of Chengting, according to a *Central News* dispatch from Chengchow. The report was denied by the Tokyo War Office which said that Gen. Umetzu was not in Hopei, but in command of Japanese troops in "another province."

Japanese war prisoners in Shansi are well treated by their Chinese captors, according to *Reuter* special correspondent with the Chinese army in Shansi. Interviewed by the correspondent, three of the prisoners said that they were truck drivers and were captured near Lingfeng, west Shansi. Replying to questions, they said they were all well treated by the Chinese authorities. Asked their opinion, tears came to their eyes; they hung their heads, and glanced hesitatingly towards one another; then one, bolder than his fellows, spoke. "The war," he said, "is one of Japanese imperialism, and China is fighting for justice and peace."

### Unable to Return

His comrades and he thought Japan would soon be bankrupt: China would be victorious, but would be a humane victor. They were unhappy, the prisoners told the correspondent, because according to Japanese law soldiers once taken prisoner were not allowed to return to their native land.

Two things, the correspondent said, struck him in his journey through Shensi and Shansi provinces:

First, the avowed determination on the part of the mass of the common people to resist the Japanese; and,

Secondly, the extremely thorough process of organizing the peasantry, both politically and militarily.

During the last 15 days of March, 434 battles were fought with the Japanese on various fronts and 24,498 Japanese officers and men killed and 72 others taken prisoners, according to an announcement by the military authorities at Chungking. The booty included 757 horses, 342 rifles, 26 machine-guns, five heavy guns, and 79,073 rounds of ammunition. In addition, 105 armed cars were destroyed, seven warships sunk, three planes shot down and 63 kilometers of railways and 32 kilometers of highway damaged, during the half-month period.

### China's National Debt Now \$6,100,000,000

On the eve of the outbreak of the current war, China's national debt was \$4,500,000,000, of which \$2,500,000,000 were secured on Customs revenue, \$325,000,000 on salt revenue, and \$120,000,000 on consolidated taxes. Since the outbreak of hostilities, China issued another \$1,600,000,000 worth of loans, according to a spokesman of the Ministry of Finance in Chungking.

## Nippon Troops Drive On Toward Changsha

Continuing their drive through Kiangsi province toward Changsha, provincial capital of Hunan, which is the next major objective, Japanese forces captured the walled city of Kaoan, strategically located on the Nanchang-Changsha highway, about 50 kilometers southwest of the Kiangsi provincial capital, on Apr. 2.

Japanese army dispatches said that newly-arrived Chinese reinforcements were crushed in the onslaught on Kaoan and that the defeated Chinese troops were fleeing westward towards Yuanchow along the Kiangsi-Chekiang Railway, and Hengyang in Hunan province along the Canton-Hankow Railway.

It was also claimed that among the Chinese combatants slain at Kaoan were boys between the ages of 12 and 15, "conscripted by the regime of Gen. Chiang Kai-shek and rushed to the front lines with little training."

Wuning, on the Siao River to the northwest of Nanchang, was completely in Japanese hands on Mar. 29, *Domei* reported. Capture of the city followed a fierce battle. In the Nanchang and Wuning sectors combined, the Japanese claimed to have slain 3,200 men belonging to 20 Chinese divisions and to have taken 1,400 prisoners in the Nanchang sector. Captured armament and supplies were listed to include nine heavy artillery pieces, eight mountain guns, one heavy machine-gun, 44 light machine-guns, 400 rifles and 800 horses.

A *Transocean* message from Chungking said official Chinese reports mentioned 20,000 as having been killed in the recent battle for Nanchang, without stating, however, whether any of this number were Japanese.

### Kongmoon Recaptured

Kongmoon, northern terminus of the Kongmoon-Toishan Railway in southern Kwangtung, which was occupied by Japanese troops on Mar. 29, was recaptured by Chinese forces the following day in a swift counter-attack, *Kuo Min* reported. Two days later, Japanese troops retook the city, but according to *Reuter* were driven out for a second time on Apr. 2 by two fresh Kwangsi divisions. Chinese circles in Chungking express the belief that by her campaign in this sector Japan aims to control communications between Canton and the Portuguese colony of Macao.

Commenting on the swift advances being made by the Japanese troops towards Changsha, the Chungking *Ta Kung Pao*, according to a *Transocean* message, stressed "the necessity of bringing the Japanese advance to a definite standstill" and advocated "a change of Chinese military tactics." The paper was also quoted as saying that the Chinese troops ought to win battles instead of retreating.

Seventeen Japanese planes appeared over Sian, capital of Shensi, on Apr. 3 and dropped 45 bombs on the southern section of the city, *Kuo Min* reported. Seven persons were killed and 30 wounded, while 120 houses were destroyed.

The Japanese press published reports on Mar. 30 to the effect that Gen. Chiang Kai-shek was planning a large-scale offensive in North China and that attacks would be made in various sectors along the Lunghai Railway in the near future.

### British Chamber Head Is Released From Captivity

H. F. Dyott, managing director of Wilson & Co., Ltd. and chairman of the British Chamber of Commerce in Tientsin, who was kidnapped from his home in the former German Concession in that city on Mar. 17, was released Apr. 3 after being held

## Fisheries Accord Signed in Moscow

Ending, at least for the time being, the five-month-old fisheries dispute which recently threatened to produce a serious rift in Soviet-Japanese relations, a temporary agreement regulating Japan's fishing rights in Soviet Far Eastern waters was signed in Moscow Apr. 2 by Soviet Foreign Commissar Maxim Litvinov and Japanese Ambassador Shigenori Togo. The agreement is to run until the end of the present year.

Japanese interests attended an auction of Soviet fishing lots in Vladivostok Apr. 4 and secured, according to announcement from Tokyo, 360 lots of which 264 are fixed for a period of five years.

Moscow, which had insisted for strategic reasons on withdrawing from auction 37 lots previously held by Japanese interests, maintained its position and the Japanese government finally acquiesced in the withdrawal. The Tokyo Foreign Office announced that Japan and the Soviet Union would continue negotiations for a permanent fishery treaty.

### Siam to Stay Neutral If War Breaks in Europe

Siam will take no aggressive action towards any neighboring territories in the event of an outbreak of war in Europe, it was indicated in a statement in Bangkok by Chao Phya Sridharmadhibes, Siamese minister of foreign affairs, *Reuter* reported Apr. 2. The country's present armament program, he emphasised, was purely for purposes of defence.

British and French statesmen were working overtime this week in endeavors to line up the states of eastern and southeastern Europe for common action against further expansionist efforts by Nazi Germany. Main interest centered on the visit to London of the Polish foreign minister, Col. Joseph Beck. In Poland, according to the *Nazi press*, Germans are being persecuted, as formerly Germans were persecuted in Czechoslovakia.

In the British House of Commons, Prime Minister Chamberlain announced that Britain would immediately render military assistance to Poland if that country's security and independence were threatened by aggressive action. From Berlin came thinly-veiled threats that Germany would be obliged to take "certain measures" if Britain persisted in her anti-German campaign and in plans for bringing about the encirclement of Germany.

From Moscow, came an official denial of French reports that the Soviet Union had undertaken in case of war to supply Poland with war materials and close the Soviet market to German products. Since defense of Poland against Germany would in large part have to be undertaken by Soviet Russia, and since Poland is reluctant to agree to the admission of Soviet troops to Polish territory, it was expected that Britain would find difficulty in formulating any really effective plan for defending Poland against Germany.

captive for 17 days, none the worse for his experience, *Reuter* reported. A mixed party of British and Japanese proceeded to a spot near Hsiao-chan, seven miles inland from Koku on the Tientsin-Taku road, and there obtained his release from bandits who had been holding him.

# Hwai River Valley Flood Threatens 20,000,000 People With Utter Ruin

WITH the public eye focused on the Sino-Japanese hostilities and the terrible destruction of human life in Japan's aerial bombing campaign, little attention has been given to the fact that a natural calamity in the shape of the rampaging, uncontrolled Yellow River, aided in its depredations by conditions of war, is destroying the homes and livelihood of numberless people in the Hwai River valley region of Anhwei province and has already created real conditions of famine.

As spring and summer advance and the Yellow River rises in accordance with its seasonal practice, the menace of the murky waters threatens to grow into a major catastrophe engulfing between 10 and 20 millions of people.

The problem to be tackled, according to Dr. John Earl Baker, flood expert, is that of diverting the flood waters of the Yellow River from the Hwai Valley to the Yangtze River or to the sea through northern Kiangsu. Work to this end had been in progress when the war broke out in the summer of 1937 and was then suspended due to the hostilities. In addition to the peril to human life and the threatened destruction of property, it is believed that unless the rampant Yellow River is controlled in the very near future large tracts of farm land will be permanently inundated with permanent loss of livelihood to millions of people.

## The Situation Described

Dr. Baker only lately received a letter from the American Presbyterian Mission in Hwaiyuan, Anhwei, describing conditions in that region. In 1931, it is pointed out, the people suffered only from flood, and as the waters subsided fairly rapidly, they were able to reap some supplementary harvest (soy beans) in the autumn.

"But this last autumn," the letter continues, "they could neither sow nor reap and, moreover, many have been unable to sow their winter wheat in their fields even until now. And not only do they suffer from flood, but also from war and from bandits. Grain which they had stored up was lost by ravaging. Plundering is still very common. Many houses have been burned down. Many people have no food to eat and no house to live in.

"In 1931 they could borrow both money and provisions from others when they were in need, but now they cannot borrow at all and transportation of grain from other parts of China is impossible. Now, everywhere we go we meet beggars with pallid faces sitting by the roadsides and we see hundreds of hungry people along the roads and in the streets. If these conditions continue, the old and the weak can hardly keep from dying and the young men cannot keep from becoming bandits. If there is no relief from these conditions, the resulting famine will beggar the imagination to describe."

A member of the Mission went on a four day tour of the Hwai river region early last month and reported as follows: "The conditions I found were appalling. The villages near the Hwai River are in the worst condition as they have not received a crop for two years and all of their fields are still under water... They planted some of their fields to winter wheat a few months ago, but now the water has risen again and all of that wheat is drowned out. So they have nothing to look forward to..."

"Just to the south of us there is a huge lake formed in the 'big bend' of the Hwai River to the west of the river. I should judge it was at least 20 miles long and several miles wide. We travelled on this lake for 10 or 12 miles when going to Ch'ang Chia Fen. The water covers what was formerly very rich land which supported thousands of people. They tell me there is a corresponding big lake on the east bank or side of the river. The worst of it all is the water has risen another four feet recently, drowning out much land which was under cultivation. With no prospect of relief from these conditions, the outlook of the people is most hopeless indeed."

The report goes on to say that "already we see visible evidence of conditions far worse than any of the oldest members in the station can remember. We realize, of course, that the peak of the worst condition

## Noted Relief Worker



C.M.P.S. Photo

Mr. George Fitch, formerly general secretary of the Foreign Y.M.C.A. in Shanghai, and one of the most noted foreign relief workers in China, is shown here addressing the Nanking Residents' Club in Chungking where he arrived recently from a trip to the United States. He performed especially notable service for war refugees in Nanking just before and after the fall of that city in December 1937.

has not yet arrived. Things will get progressively worse until harvest, which is about the middle of June. All the foreigners are using all their available personal resources as well as all the money that has been made available from Shanghai and by our own station."

Relief work is made exceedingly difficult because of existing political conditions, the report continues, pointing out that for anything like a ramified organization of relief work is would be necessary to seek and secure the cooperation of the local organs of the "Reformed Government" and of the Japanese military authorities.

Of a sum of \$18,537 received for relief purposes, the Hwaiyuan Famine Relief Committee reports expenditures as follows: Sewing class for women (Jan. 11—June 10, 1939), \$10,500; interest-free loans to farmers, \$3,000; direct relief in five hsien, \$4,500; direct relief in Hwaiyuan city, \$537.

Shanghai relief committees are asked whether they approve of the Hwaiyuan Famine Relief Committee cooperating with the "Reformed Government" authorities in that area in the operation of public gruel kitchens and if so whether they will make grants of grain and/or cash so that work may be started.

## Mardens Announce Record Profit Earned in 1938

A net profit for the year 1938 of \$543,588.82, largest in the company's history, was announced at the 10th ordinary general meeting of shareholders of G. E. Marden & Co., Ltd. held in Shanghai Mar. 30. To the interim dividend of \$2 per share already paid, the meeting passed an additional dividend of \$3 per share.

On the same date, the Shanghai Tug & Lighter Co., Ltd. held its annual meeting. Profits for the year 1938 were not mentioned in press reports, but it was announced that \$900,537.93 stood to the credit of the profit and loss account. Final Dividends of 3½ per cent on 10,000 preference shares and \$24 per share on 26,000 ordinary shares were passed. On preference shares an interim dividend of 3½ per cent had previously been paid out of profits earned.

The annual meeting of the Shanghai & Hongkew Wharf Co., Ltd. also took place Mar. 30. W. J. Keswick, chairman, said that \$989,168.73 had been brought into the profit and loss account from the working account in respect of the year 1938; a figure \$415,000 higher than that of 1937. A dividend of \$10 per share was passed, together with a staff bonus of \$15,000. In his speech, Mr. Keswick called attention to the serious situation created in the port of Shanghai by the impounding (by the Japanese) of the Whangpoo Conservancy Board's dredging craft and equipment. The silting of the river due to suspension of conservancy work would, he said, sooner or later become a matter of urgent importance to the whole community.

The Shanghai Waterworks Company has announced dividends of 3½ and 3½ per cent on the seven and 6½ per cent cumulative redeemable preference shares out of profits earned last year. To "A" and "B" shares were allotted a dividend of five per cent.

## China's Chief Salt Fields Now Controlled by Japan

According to the *Shun Pao*, the Changlu salt district in Hopei, now under Japanese occupation, is being controlled by the South Manchuria Railway Company. The annual export of Changlu salt to Japan has increased from 70,000 tons prior to the outbreak of hostilities to 450,000 tons at the present time. The total production of salt in the Changlu district is 850,000 tons annually.

The annual output of salt in the salt-producing districts now under Japanese occupation is: (1) Changlu—4,439,000 piculs; (2) Liang-Hwei (Anhwei)—7,565,000 piculs; (3) Shantung—7,589,000 piculs; (4) Kow Pei—207,000 piculs; (5) Ho Tung—891,000 piculs; (6) North Shansi—194,000 piculs; (7) Yangchow—609,000 piculs; and (8) Sungkiang—188,000 piculs.

Japanese troops recaptured Haichow (N. Kiangsu), another large salt-producing district, on Mar. 4. This field was not listed by the *Shun Pao*. According to Japanese sources, the Haichow fields produce 700,000,000 lbs. of salt annually.

## America's Hoard of Gold Rises to \$16,000,000,000

America's already huge hoard of gold, representing 60 per cent of the world's entire supply, rose Mar. 31 to \$16,000,000,000 when the trans-Atlantic liners *Manhattan* and *Normandie* docked at New York from England, *Transocean* reported. The *Manhattan* brought the largest shipment of gold ever shipped in a single vessel, her cargo of yellow metal being valued at \$60,000,000. The *Normandie* brought gold worth \$28,000,000.



# A Survey of China's War-time Communications

BY CHAO MING

**J**APANESE occupation of China's coastal cities and other important traffic centers notwithstanding, the indomitable Chinese are fast completing another network of communications in the interior, interlacing the provinces with new highways and railways, and creating new trade arteries southwest to British Burma and French Indo-China and northwest to the U.S.S.R.

The fervent activities of China's wartime communications can be divided into two stages with the evacuation of Hankow last October as the demarcation line. The good use and management of the then existing means of communication played the dominant part before the evacuation of the central Yangtze city, with railways doing most of the work. Today, the construction and improvement of the network of communications in interior China has become the chief concern of the Chinese Ministry of Communications.

With the reorganization of the Ministry of Communications since the war, by the incorporation of the former Ministry of Railways and the Highways Department of the now dissolved National Economic Council with the Ministry of Communications, the administration of all communications, railways, highways, telecommunications, shipping, commercial aviation, and postal service, all came under the control of the Ministry of Communications, with Mr. Chang Kai-ngau, noted Shanghai banker, as the minister. This reorganization has proved to be a great asset in the development of China's wartime communications.

## War Transport Work

Military transportation has been the most important concern for Chinese railways during the war. And the single-tracked lines have all done a monumental job besides their regular passenger services. The Shanghai-Nanking Railway operated 628 military trains in the four months of August-December, 1937, with a daily maximum of 25 trains. It transported altogether 710,000 soldiers and 21,400 tons of war supplies.

The Peiping-Hankow Railway ran 4,039 military trains during the first year of the war with a daily maximum of 30 trains, transported 2,350,000 men and 1,300,000 tons of materials. The Canton-Hankow Railway operated 1,177 military trains during the 10 months of July, 1937, to April, 1938, and transported 1,030,000 men, 320,000 tons of materials, as well as a daily load of 600 tons of war supplies and industrial materials from abroad.

The Chekiang-Kiangsi Railway operated 566 special trains during the seven months of July, 1937, to January, 1938, and transported 660,000 men and 120,000 tons of materials. The Tientsin-Pukow Railway ran 3,600 military trains since the war began and transported 3,000,000 soldiers. The Lunghai Railway operated 2,344 special trains.

Thus the six lines operated altogether more than 14,600 military trains, transported more than 12,000,000 men, 3,000,000 tons of war supplies, and 300,000 tons of materials from abroad. To this, we must add troops and materials transported by the Tatung-Puchow, Taiyuan-Shichiachuang, Nanking-Wuhu, and other shorter lines in northern and eastern China.

The Hunan-Kwangsi Railway, construction of which began after the war broke out, opened its 354-kilometer Hengyang-Kweilin section to traffic on September 27, 1938. It ran in the first three months 106 military trains besides transporting 29,700 wounded soldiers. The work for the extension southward to the border of French Indo-China has been energetically

pushed by the railway authorities. The Kweilin-Liuchow section, 174 kilometers in length, will be completed this August. The 260-kilometer section between Liuchow and Nanlin has completed its work on the road bed, while the 230-kilometer Nanlin-Chengnankwang section is scheduled to be completed in August.

The 860-kilometer Yunnan-Burma Railway, from Kunming, capital of Yunnan Province, to the border of British Burma, began construction work last November. It is scheduled to be completed at the end of 1940.

The Szechwan-Yunnan Railway, linking Kunming and Suifu, Szechwan trading town by the bank of the Yangtze, started its road bed work last December. The total length of 773 kilometers will also be completed by the end of 1940.

The 1,000-kilometer Kweichow-Kwangsi Railway, linking Weilin in Kweichow and

oil for exportation and machinery and gasoline for importation. Besides, these two lines also ran "salt-rice specials" and "coal specials" to facilitate the transportation of these commodities. A monthly average of 3,500 tons of commodities was transported in the months July, 1937, to June, 1938 by these lines for export alone. And the Chekiang-Kiangsi Railway transported 117,720 tons of salt and 88,489 tons of rice, besides other commodities, in 1938.

Of the more than 9,800 kilometers of Chinese Government Railways, more than 6,500 kilometers are now in Japanese-occupied territories, with only a little more than 3,200 in "Free China," whereas those now under construction in interior China aggregate more than 4,800 kilometers.

## The Highways Situation

Highways are now playing a vital part

## Man-Power Freight Transport in Chekiang



Due to the high cost of gasoline and often the impossibility of obtaining supplies at any price, freight rich has been placed in service in several parts of the country as a transport auxiliary. Picture shows a line of such vehicles in Kienhua, Chekiang, loaded with empty gasoline drums.

Liuchow in Kwangsi, has now completed its survey work. This line will have connections with the Szechwan-Yunnan line at Weilin. The 523-kilometer Chengtu-Chungking Railway is now working on its road bed and bridges, while the 980-kilometer Hunan-Kweichow Railway, with the 180-kilometer Chuchow-Lantien section in Hunan opened to traffic, has suspended construction on account of the threat of a further Japanese advance southward along the Canton-Hankow line to Changsha and Chuchow. Its building materials have been transferred to other new railways now under construction.

## Civil Railway Facilities

While shouldering the heavy responsibility of military transportation, the Chinese railways have in no way neglected their passenger and freight services. Special refugee trains, entirely free of charge and with food provided by railway employees, have been operated by every line since the war to help save the large number of persons migrating westward to China's vast interior provinces. As to freight services, the Chekiang-Kiangsi and Canton-Hankow Railways operated special freight trains for the transportation of tea and tung

in China's wartime communications. About 110,000 kilometers of motor-roads were constructed by the National Government in the years 1931-1937. Since the war broke out, construction of highways has been pushed harder than ever before. More than 1,500 kilometers of motor-roads were built in Hopei, Shansi, Kiangsu, Anhwei, and Honan during the first days of the war. To this, we must add the large number of highways constructed under the direction of the various military authorities. For instance, the Shanghai front constructed an aggregated length of 2,000 kilometers of motor-roads during the battle of Shanghai in 1937. And more were built in Chekiang and southern Anhwei when the arena of war shifted westward. Besides, the Ministry of Communications undertook or helped in the construction of highways in the nation's northwest to an aggregate length of more than 3,800 kilometers, and also improved a total of 5,822 kilometers of motor-roads in the southwest and 2,263 kilometers in the northwest, at the cost of more than \$50,000,000.

The four new national highways under construction in southwest China total 2,081 kilometers, the two in the northwest total

1,750 kilometers, and the three in western China total 2,300 kilometers.

Thus, a grand total of more than 15,000 kilometers of existing highways were thoroughly repaired, while about 7,000 kilometers are either completed or under construction.

Another important international artery commanding special attention is the 964-kilometer Yunnan-Burma highway from Kunming to Lashio, Burmese frontier town. The construction of this road began at the end of 1937 with more than 200,000 volunteer and conscript laborers, and was opened to traffic within eight months.

Besides the importation of large fleets of motor vehicles for use on these highways, the Ministry is also organizing a huge cavalcade of Chinese carts, moved by animals, for short-distance transportation to supplement motor trucks and to save gasoline which the nation does not produce.

### Shipping Organization

Of China's more than 600,000 tons of steamships, over 140,000 tons, or 99 ships were sunk by the Chinese authorities for the construction of booms at the various important rivers and harbor entrances. Some ocean-going steamers as well as larger ships plying the Yangtze were either captured by the Japanese or sold to third countries.

To facilitate river communication on interior waterways, the Ministry, cooperating with the China Merchants Steam Navigation Company and private shipping concerns, organized a Yangtze Navigation Office for the administration of all shipping on the Yangtze and its tributaries. An Inland Waterway Navigation Office was also organized for the management of navigation on the various inland rivers.

From January to the middle of May, 1938, 33 steamships and 200 Chinese junks were concentrated in the section between Hankow and Chungking. Besides regular freight services, these ships brought more than 50,000 persons, 20,000 tons of war materials, and 20,000 tons of machinery and gasoline. From the middle of May to the end of 1938, about 40 steamers of different sizes and more than 700 junks were concentrated between Ichang and Chungking and transported more than 100,000 people, 90,000 tons of war materials, and 70,000 tons of machinery. More than 80 steamships are now plying the Yangtze between Ichang and Chungking. Eight towing stations have also been established by the Hankow Navigation Bureau along the Yangtze between Ichang and Chungking to help the various steamships negotiate the torrents and rapids of this section of the river.

A Canton-Hankow through traffic, with steamships plying between Hankow and Hengyang and between Canton and Chukiang, and with trains running between Hengyang and Chukiang, was maintained by the Ministry until the fall of Canton last October. This service transported more than 50,000 people, 5,000 tons of export goods, and 6,000 tons of import goods.

More than 30 tug boats and 100 barges plied the Hsiang River between Changsha, Changteh, and Hankow. Besides thousands of passengers transported over this line, more than 50,000 tons of war materials and machinery were shipped to their destinations.

### Network of Air Lines

Over a country where less than ten years ago age-old junks plied canals cut before Christendom and pack animals trod caravan trails deepened by centuries of wear, are the fastest passenger and merchandise carriers, fleets of modern airplanes speeding Chungking businessmen and their mails to the outside world. The Chinese Ministry of Communications now has more than 10,000 kilometers of sky lines in western

China through the services of the China National Aviation Corporation, a joint Sino-American concern, the Sino-German Eurasia Aviation Corporation, and the Ministry itself; and 4,400 kilometers of new lines are either planned or ready for operation.

Daily or weekly services between Chungking and Kunming, Chengtu, Sian, Lanchow, Ichang, Kiating, Kweilin, Kweiyang, Hongkong, Hanoi, and Ninghsia have made the country smaller than those pre-aviation days. Mails, merchandise, and passengers are transported to places in hours over routes which took them weeks or months to traverse in bygone days. Passage has to be booked days or weeks ahead as the Chinese people are now getting more and more air-minded.

International airlines are also in operation or under survey. The Chungking-Hanoi service, formerly run by the Eurasia Aviation Corporation alone, is now reinforced by planes of the China National Aviation Corporation. The Chungking-Rangoon line, over which a successful survey flight was completed at the end of February, will be opened to traffic as soon as the Lashio, Burma, airfield is enlarged to enable the giant Douglas planes to take off and land with ease. The Ministry itself is now operating the 2,700-kilometer Chungking-Hami line. A giant Junkers airliner is running once a week between the nation's wartime capital and eastern Sinkiang. This line requires two days to travel by air, with stops en route, whereas a truck takes more than a month to cover the same distance. From Hami, the airline will be extended, with the cooperation of the Soviet authorities, to the U. S. S. R.

### Phone, Radio Services

Since the war broke out, the Ministry of Communications established a War-time Telecommunications Committee to take charge of wartime tele-communications. Besides the large number of existing lines in the rear provinces, the Ministry constructed 105 new telegraph lines interlacing the various provinces to a total length of 9,716 kilometers. Long-distance telephone lines were increased by 67 new lines of an aggregate length of 8,455 kilometers.

One hundred and twenty-one new telegraph or telephone offices were established in the different provinces. Forty new radio stations were also added to the more than 20 stations already existing in the rear. Three radio telephone stations are also newly-established to serve the western businessmen. And a powerful international radio station connects China with leading cities in Europe and America. For more important cities like San Francisco, Moscow, Manila, and Hongkong, where the traffic is heavy, the station has two beams for each of these places.

To repair the telegraph and telephone lines damaged in the various war areas, the Ministry has organized two repair corps to serve on the eastern front. Now, this service has been enlarged to more than 50 corps covering the entire war front from Inner Mongolia to southern Kwangtung.

### China's Postal Arrangements

To serve the nation's front-line fighters, the Ministry also organized a Field Postal Service under the direction of the National Military Council. This service now has more than 5,000 men braving death from Japanese planes and gunfire, distributing and collecting mail in the front lines. The service is divided into eight sections, which are sub-divided into a number of sub-stations. Each station has three or four persons handling more than 7,000 letters a day, besides newspapers, magazines and other printed matter, as well as money remittances.

As to regular postal services, the Chinese

## Japanese Raiders Bomb Mission Hall

Japanese air raiders, attacking Sian, provincial capital of Shensi, on Apr. 2, destroyed the meeting hall of the English Baptist Mission, killed six people and wounded nine others, according to a *Reuter* report. *Kuo Min* said that more than 10 persons were killed and more than 300 houses destroyed, including the offices of the *Kung Shang Jih Pao* (Industrial and Commercial Daily News).

The British agency said that the low number of casualties was attributable to the fact that the populace is now in the habit of leaving the city during the early part of the day. The raid took place at 1.10 p.m.

The United States Embassy, *Reuter* reported from Peiping Mar. 28, has protested to the Japanese authorities against four further bombings of American property in China. One case cited was the bombing of mission property at Chengchow, Honan, on Mar. 23, this being the fifth time this property has been bombed since the hostilities began. Other bombings protested are Sian, in Shensi, Pingliang, in Kansu, and the destruction of the property of an American wood oil company at Wanhshien, Szechwan.

A report received in Hankow on Mar. 29 from the Augustinian Procurator in Anking stated that seven Spanish Jesuits had been held prisoner by Chinese guerrillas since Jan. 17. Scene of their capture was said to be a point in the vicinity of Taihu (lake) on the Hupeh-Anhui border. The guerrillas first took six missionaries, adding a bishop to their bag when the latter went out to secure their release. *Reuter* said no demand had been made for ransom, and that the charge against the prelates was that they had been using Japanese military banknotes which are circulating in the district. According to another report, the priests were accused of spying for the Japanese.

## S.M.C. For 1939 Is Elected Without Poll

Nominations for the election of Councillors and a Land Commissioner for the International Settlement for the Municipal year 1939 closed Apr. 4 when it was announced that as only nine nominations had been received for the Municipal Council no poll would be necessary. The following nine elected gentlemen will act as Councillors from April 20, 1939, together with the five Chinese Councillors whose election has not yet been notified: Messrs. A. C. Cornish, C. S. Franklin, G. A. Haley, W. J. Keswick, R. G. MacDonald, G. E. Mitchell, O. Okamoto, T. S. Powell, T. Sugisaka.

Mr. R. D. K. Silby was the only nominee put forward by registered land owners in the Settlement as a Land Commissioner for 1939 and he was accordingly declared elected.

The annual ratepayers' meeting will be held in the Grand Theater, Bubbling Well Road, on Apr. 19 at 2.30 p.m.

Postal Administration has also expanded its service in the rear provinces. Since March, 1938, 1,294 post offices and sub-offices and agents, as well as 630 letter boxes were added to the postal service in the western provinces. And 10,460 kilometers of carrier routes were established. A large fleet of trucks is now running on the various highways to speed mail matter to their destinations every day, besides the services by steamers, trains, airplanes, junks, pack animals, and carts. New trucks have been ordered abroad to increase facilities for the transportation of mail matter by the Post Office.

Chungking, March 21, 1939



## Women and the Family in China

BY MADAME CHIANG KAI-SHEK

**Editor's Note:** Following is the ninth instalment of Madame Chiang's "Resurgam" which is appearing in serial form in the special New Life Movement supplement of the "Central Daily News," Chungking. This article by the Director-General of the Movement was published on March 12.

**P**ICTURESQUE pages have been contributed to our ancient history by women, and, correspondingly, modern women are destined to provide colorful passages for the chronicles of this current epoch. They will do so because they are developing; because they are becoming nationally conscious; because brains, education, foresight, enterprise, and courage are not the monopoly of men. All these are shared by women, who also have the good fortune to be endowed with the additional qualities of motherliness and gentleness which single them out for special service

and half of the glory? They are not thinking in such terms, however. They are thinking of sustaining resistance, fully realizing that national victory should be the primary concern of every citizen in the country. It would not harm the men, however, to remember what is due to the women. They are individuals and citizens as well as being women, even though they have only recently asserted themselves and demonstrated their value in realms other than that connected with the home.

### Limitation on Women

It is not, of course, the fault of the women of China that hitherto their lives have been circumscribed; that they have been cribbed, cabined, and confined; shut off from participation in the solution of national problems; converted into household chattels, or, if they possessed what is now known as "glamor," kept as pampered adornments of boudoirs like animated pieces of delicate porcelain.

avoid but to study as a warning. There were women of literary brilliance such as Pan Chao, of the Han Dynasty, she of the Nu Chieh, or the Precepts for Women. There were Lady Wei, Lady Li, Lady Kwuan, and Ching Liang-yu. These women were of those who dedicated their brains and their energies to the up-building and improvement of the nation. On the reverse side were what are regarded as self-seeking women such as Tan-Tsi, Pao-Chi, Wu Tsei-tien, and Yang Kuci-fei. Perhaps they were guilty of harmful intrigue or perhaps they wielded a baneful influence which reduced the rulers of those times to degenerates. Perhaps they did both, and nothing of good for the country. Whatever they did they have been anathematized by historians—who, however, happened to be men—and consequently by later generations. At any rate, they are not for us to vie with. One exception was Chiu-Ching, a woman educator-revolutionist who was decapitated because of her

### Chungking Celebrates Fifth Anniversary of New Life Movement



Photos by C.M.P.S.

The recent celebration in Chungking of the Fifth Anniversary of the foundation of the New Life Movement was marked by a contest among women citizens in making "cash offerings" to the government for continuance of China's defensive war against Japan. Left, a representative of the families whose men-folk have been conscripted for the army is seen speaking at a gathering in the Chamber of Commerce building, with Madame Chiang Kai-shek, director-general of the New Life Movement, at the right. In the picture at right the fair occupant of a rischa is being "touched" by girl canvassers for a cash offering.

in the great work now confronting our whole race in the safeguarding of our heritage and particularly in the rebuilding of our nation. It is not even the sole prerogative of men to be soldiers, to strut in the glamor of uniform, or to hear the diapason of the cannonade. Women have already proved the valor that is in them; have shown that they can endure the hardships of battle zones; can stand the shock and crash of war's wrath. Girls have been trained, and have marched off to the fronts, in their thousands, shaming—if any shame is in them—the hordes of young men who boisterously pretend that they want to help their country, but who shelter somewhere in safety, or cling to the cover of distant places far removed from those front lines where gallant deeds are done.

The constructive part women must play in the winning of the war and the resurgence of their country is becoming increasingly important. Many men now declare that half of the responsibility for the fulfilment of these great national tasks should fall upon women because they constitute half of the population. If that argument is to be carried to its logical conclusion should the women also enjoy half of the power

Women are now fast breaking down the barriers which have for aeons excluded them from taking part in public affairs. They are escaping from the cloistered confinement that prevented them from contributing the leaven of their intelligence and their ability that is so essential to the success of social and political reforms and national progress, and they will supply the energy and incentive which are needed for successful and progressive improvements.

Women must do their best to see to it that the piles of patriotism and probity are driven deeply into our despoiled soil to form the foundations for a resurgent China. They must try to ensure that honor and integrity and fair-dealing shall characterize the national superstructure. They must labor unceasingly to create the atmosphere of loyalty, tolerance and justice to permeate for all time the halls of State and the confines of the home. Given competent organization and adequate opportunity, they can do all this, and they can improve personal attitudes of mind and relationships, which will be to the abiding good of human kind.

There are women in our past for us to honor and to emulate; there are some to

uncompromising stand against the corrupt Manchu regime. Her tomb at Hangchow is the invariable scene of displays of respect and reverence. She is known to have died for the good of her country.

Pan Chao cannot well be passed over with mere perfunctory mention. She was the younger sister of the former Han Dynasty historian Pan Ku, and she carried on his work after his death. That was six centuries before Christ. She became the tutoress of the Empress, although she did not succeed to the title of Court Historian. She laid down the pattern for women's education in her famous "Three Obediences and Four Virtues." She advocated obedience to the father during girlhood, obedience to the husband after marriage, and obedience to the son after widowhood. The "Four Virtues" included chastity, gentleness in speech, modesty and simplicity in appearance, and moderate proficiency in housewifery. The exemplary woman should not strive to excel, it would seem. What she taught, if measured by the ideas of today, hindered the development of women, but was undoubtedly suitable for her period and her environment.

Nowadays, however, there are com-

mentators who read into Pan Chao's writings treachery to womanhood; betrayal of womanly status. She is blamed for fortifying the men in their desire to keep the women immured in the home, and for preventing their entrance into public life and society for so long a time. She is charged by critics with the sufferings and difficulties from which Chinese womanhood is only now escaping. To my mind she was right according to her lights and her time—but fortunately times change and we change with them. What was right then would not fit in at all with the emancipated ideas of the women of today, or with the Sam Browne campaigning belts of the girls.

All things in life are relative, yet there is one unquestioned basic principle which Pan Chao laid down, and which time will never shake. It is that "virtue is more important than learning." To my mind, if one has to choose between virtue and learning, virtue is the more to be cherished. There is, however, no reason why a woman should not be both virtuous and learned.

This is a truth that must be indelibly stamped upon the minds of the young so that it may become the most durable part of their characters, and so that it will withstand the rough and tumble of adolescence, the familiarities of co-education, and the lures of modernized life in general.

### "Ungoverned Liberty"

While the cloistering of our womenkind, in the past was injuriously restrictive, the liberty afforded to-day is probably injuriously ungoverned. Only resolute characters will withstand the dangers of the unaccustomed independence and the untoward relinquishment of parental control. Looseness and license often seem to be mistaken for liberty. It is a pity, but the responsibility, in large measure, belongs to the parents. Perhaps the repressions of the old family system were overthrown with too much suddenness, and the stampede of youth was too precipitate to permit parents to make the necessary mental readjustments and erect essential safeguards to meet the new time. Youth escaped, and it is difficult to effect a successful round-up. The only thing to do is for the educators to put youth upon its honor, and with wisdom and patience direct the energy and vitality which must effervesce, along channels contributive to national well-being.

As for the parents, they must themselves recapture at least the guidance of their grown-up children more by example than by precept. Youth is irked by pious exhortation, especially if the lives of the parents are inconsistent with the "preaching." To bring up the younger generation in the way that it should go, the woman, if she is to make definite personal contributions to national advancement, must be a good wife, a good mother, and a good citizen. If she cannot be a good citizen, she cannot be a good mother or a good wife, and if she cannot be either then she cannot be a good citizen. Nor can her children bring credit to her name or to their country.

The duty of the mother of to-day is no different from that of the mothers of old, except for its enhanced importance. The ancient mothers conceived it to be their obligation to bring up their children so that they might devote their lives to the welfare of the nation. That principle and that practice are needed now more than ever, for we have a ruthless invader stalking our land who must be exterminated, just as all his evil influences must be eradicated.

The present generation, and those to come, have the heroic task imposed upon them of resurrecting their nation, as well as of avenging the crimes of ruin, rape, and rapine which have been inflicted upon our country and our people. Consequently the mothers of today, and of tomorrow, have a national duty confronting them infinitely

more onerous and more sublime, than any ever fulfilled by the mothers of our time—honored and revered heroes and scholars. All of their children must reach manhood with inbred intelligent resolve as the outstanding feature of high, purposeful, and patriotic character. Only by example can such children be reared, so with mothers and fathers reform of character and outlook must begin at once. Physical and mental apathy must be discarded. It must be replaced by the will to work ceaselessly for national resistance and national survival. There is room for intelligent effort in a thousand directions. The well-educated women who have, since their marriages, had their brains in cold storage, must voluntarily take up their share of the national burden, or be compelled to do so.

### Slackers Not Wanted

This is no time for slackness in either sex, and it must be understood that slackers will be pilloried in history, if not before this war is over, and will have to drink up the lees and the dregs of popular contempt; for slackness is despicable and akin to treachery. Those who have growing sons must train them and dedicate them to the salvation of their country; those who have sons already grown should encourage them to take up arms to defend the heritage handed down by their ancestors and to drive into the sea the despicable violators of our womanhood and the desolators of our homes.

Victory having been won, there will be still more to do. There is a New China to shape and to build up on the ruins of the old one. The mothers must mold the minds of the sons and the daughters in preparation for that great enterprise. Introspection will quickly reveal to the conscientious where changes are needed. Action based upon those revelations will soon fit everyone for serious and productive national service, and the good which will come of it will be nationwide. In "The Great Learning" it is recorded that Confucius said:

"After the heart is cultivated then the body will become regulated; after the body becomes regulated there will be order in the family; after the family becomes orderly the country will become governed; after the country becomes governed there will be peace under the heavens."

Here, surely, is the inspiration at this time of national need for all of us to fling our energies, our enthusiasm and our abilities into the common pool of effort, and with all our patriotism, and with our whole hearts, help our stricken and struggling country to defy its remorseless enemy and be able, with exaltation, to cry aloud and unafraid: RESURGAM—"I shall rise again."

### Nippon Bomber Now In China Air Force

The Chinese Air Force was one plane richer when a Japanese heavy bomber, captured under thrilling circumstances, was flown from Chungking to a western Szechwan air base on March 9 to join Chinese bombing squadrons there. The machine named "Mikado", was flown from Ichang, western Hupeh trading port on the Yangtze to Chungking on March 8 by Chinese pilots. It was to be commissioned to serve in the Chinese Air Force and fight its former masters in future bombing expeditions.

Due to loss of direction and lack of fuel, the Italian-made twin-engined Fiat, valued at \$400,000 Chinese currency, was forced down during a storm at Shayang in central Hupeh on January 21. While it was diving towards a sand-bar on the Han River, Chinese soldiers thought it was on a bombing

## Franco Government Recognized by U. S.

Formal recognition of the Spanish Nationalist Government of General Franco by the United States was announced in Washington on April 1. Although the State Department was known to be considering this step, it nevertheless came as a surprise, *United Press* reported, since no action had been expected for several months.

Coincident with the announcement of recognition, President Roosevelt revoked his proclamation of May 7, 1937, in which an embargo was placed on arms shipments to Spain in terms of the Neutrality Act, which provides, permissively, that the President may institute such an embargo when a state of war exists. The conditions which prompted the embargo, the President stated, have "ceased to exist."

American interests in Spain are considerable, although represented in the main by ownership of practically all the country's telephone systems, both local and long distance. These are controlled by a subsidiary of the International Telephone & Telegraph Company, which also owns the Shanghai Telephone Company. I. T. & T. is in turn closely tied up with American Telephone & Telegraph, one of the largest and most highly-ramified corporations in the United States.

On April 1, General Franco issued his final war communique from Burgos, tersely proclaiming that "the war in Spain is ended." The same day, Pope Pius XII, who was hailed at the time of his recent election as a friend of democracy, telegraphed to Franco stating that he had "expressed thanks to God for Spain's desired Catholic victory."

A *Transocean* message from Paris stated this week that there are now more than 400,000 Spanish refugees in France, for whose maintenance the French government has approved an appropriation of 150,000,000 francs. All the refugees are in concentration camps. During a debate in the Senate, it was stated that with the solitary exception of Mexico, no country has acceded to the request of the French government that asylum be given to some of these refugees.

According to another *Transocean* report from Madrid, Spain's adherence to the Anti-Comintern Pact "is to be considered an accomplished fact," an official announcement being expected shortly.

mission. So they opened up with their rifles. The plane pulled away. Nevertheless it was forced to land 15 kilometers downriver, its tanks dry.

Taking two machine-guns from the plane the seven members of the crew commandeered a small boat, hoping to sail down the Han River to Hankow, where the river meets its parent Yangtze. The boat was spotted by Chinese river guards and sunk by rifle fire. Four of the crew were killed and two drowned. The sole survivor was captured by Chinese militia in Hsincheng, central Hupeh, on February 2, and is now in a concentration camp.

The plane had been sent by the Japanese High Command on an inspection tour of the China fronts. It was flown from Tokyo to Peiping, and then to Shanghai and Nanking. It was flying from Nanking to Hankow when the forced landing ended the careers of its seven important occupants.

The machine was brought from Shayang to Ichang for a thorough overhaul by Chinese mechanics. Bullet holes were patched, the Japanese insignia of the "Rising Sun" was scraped off and the Chinese "White Sun" painted on. Chinese pilots from aviation headquarters in Chungking were sent to Ichang to fly the plane to Szechwan for service in the Chinese Air Force.



## Threat to Interests of Four Powers Seen in Japan's Spratley Seizure

Following up her occupation of strategically-located, Hainan Island last Feb. 10, Japan on Mar. 31 formally announced that the Spratley Islands, located midway between the extreme southern point of French-Indo China and the southern tip of Palawan Island in the Philippines group, had been placed under the jurisdiction of the Government-General of Formosa.

France, which occupied and claimed the islands in 1933, was notified of this move by the Japanese Foreign Office through the French ambassador in Tokyo. *Transocean*

inconveniences with regard to the protection of lives, properties and enterprises of the Japanese, and also the possibility of a dispute between Japan and France. Therefore, in order to remove such inconveniences, the Japanese government has now decided to place the islands under the jurisdiction of the Government-General of Formosa."

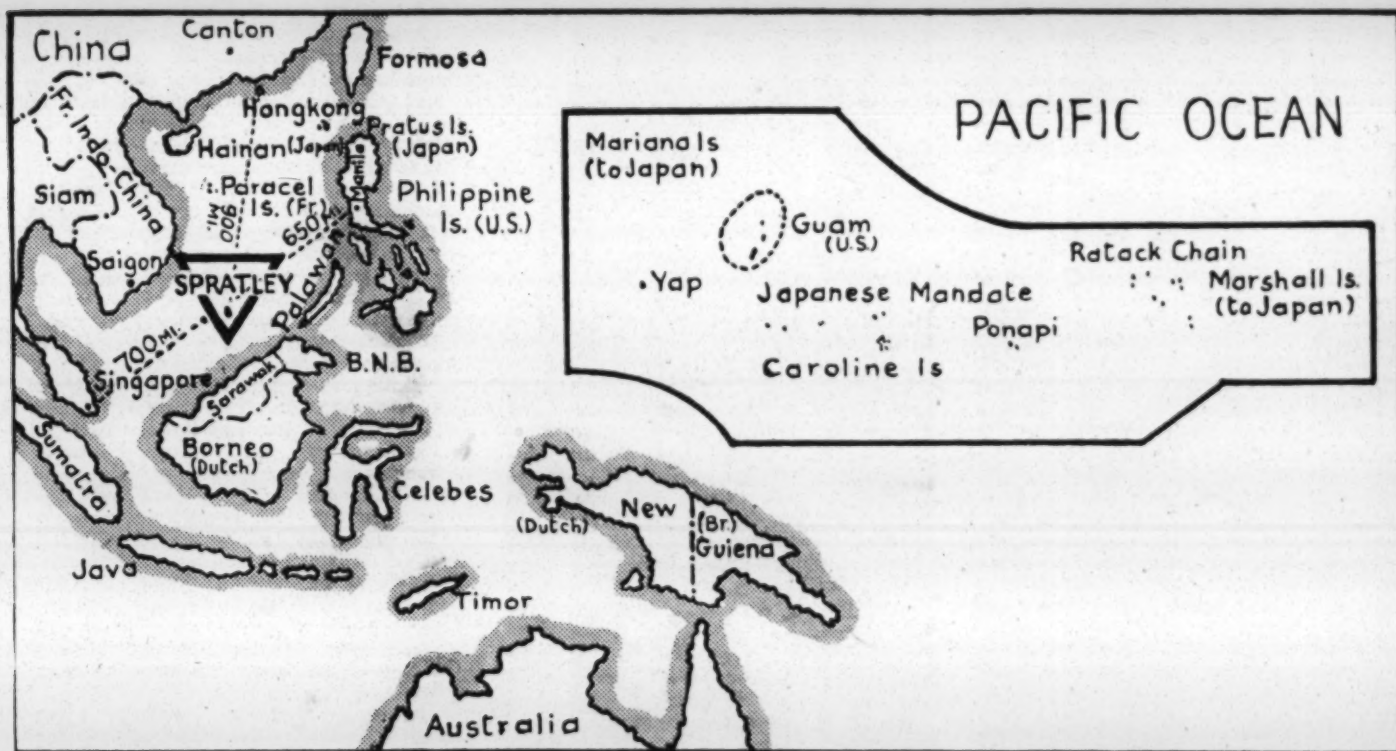
The *New York Times* declared that the latest Japanese annexation represented an ominous threat to the United States, Britain, France and the Netherlands. "Six years ago," the paper said, "France recognized

## Japanese Army Cameraman Reported Killed in Action

While engaged in taking pictures of Japanese mopping-up operations in the delta region on the left bank of the West River in Kwangtung, Shunjiro Shiroki, 24, official photographer attached to the Japanese Expeditionary Force in South China, was killed in action Mar. 31, the local Japanese press reported.

He was the first Japanese photographer to enter Hankow with the Japanese vanguard unit. When he first joined the Japanese Expeditionary Force in Central China he followed a Japanese detachment in the attack on Kiukiang, the dailies said. He was transferred to South China in February.

### Scene of Japan's Latest Strategic Territorial Acquisition



Review map by P.C. Chen

The Spratley group of islands in the South China Sea were formally annexed by the Japanese on March 31. France, which occupied and claimed ownership of the group in 1933 after they had for long been under British protection, is expected to dispute Japan's right to the small coral formations, whose strategic value is evident from a glance at the above map.

reported from Paris that France intended to maintain her claim to the islands and it was expected that Japan's move would be made the subject of an official protest.

Political circles in the French capital, according to the same agency, emphasized the importance of the insular group as a possible air base for attacks against French Indo-China, Singapore and Borneo.

A *Domei* message from Tokyo, announcing the annexation, referred to the islands as the Shinnan or New South Islands, describing them as small coral formations. Activities of Japanese subjects on the islands, it was claimed, preceded those of nationals of any other country and the Japanese government, recognizing such activities, had protected them up to the present time.

The Tokyo Foreign Office communique said the islands had for long remained unclaimed and that since 1917 Japanese subjects had invested "a great amount of capital" in the installation of various kinds of permanent equipment on the islands for their economic development.

"Owing to the uncertainty of jurisdiction over the islands, however," the communique went on to say, "there have been great

the significance of the Spratley Islands to her position in Indo-China, but yesterday the flag of the Rising Sun was raised with no opposition over this hitherto worthless group of islands.

"Japan has replaced France as possessor of the islands which suddenly mean much more than a spot on the charts because they lie far south of Hongkong, Manila, Hainan Island, and Saigon and they are only a few airplane hours from Singapore, British Borneo and the Netherlands East Indies.

"Characteristically, Japan has pounced upon these islands while the European Powers are absorbed with vital matters at home."

Meanwhile the National Geographic Society issued a statement showing that Japan's occupation of the islands brought her "within about 700 miles of the new British base at Singapore, or less than four hours by fast plane."

The statement pointed out that French Indo-China and British Borneo are within 1½ hours by plane.

"The main island has been of no commercial importance, but deep water exists not far off-shore," the statement said,

## Japanese Railways Make Record Profit

The Japanese State Railways, which operate roughly 25,000 miles of track and employ over 220,000 persons, made an all-time record profit in the financial year ending March 31, according to a *Reuter* report.

The total revenue exceeded Yen 725,000,000, of which Yen 410,000,000 was collected from passengers and Yen 315,000,000 from freight.

The revenue showed an increase of 15½ per cent over that for the previous year. This is attributed to a natural increase and to the abnormal activity arising out of the heavy industries boom caused by the demands of the huge Japanese armies operating in China.

Passengers carried totalled 1,336,665,000 and freight 95,800,000 metric tons.

The revenue is expected to show a further expansion this year owing to the tremendous industrial expansion which is going on.

# Progress of China's Industrial Cooperatives\*

## THE INDUSTRIAL COOPERATIVE MOVEMENT IN PICTURES

In succeeding pages, the China Weekly Review presents a graphic outline of the motive and significance of China's Industrial Cooperative Movement in a series of twenty sketches by the well-known Chinese artist, Jack Chen, younger son of Eugene Chen, one-time Chinese Minister of Foreign Affairs. The artist, who has lately been touring Europe and America with an exhibition of China's war-time art in the field of cartooning and other propaganda media, has succeeded in giving a simple exposition of the subject which might be effectively utilized in propagandist work among Chinese for the Industrial Cooperative Movement, which, as the accompanying article shows, has already made considerable strides.

CHINA'S Industrial Cooperatives are making steady progress in the face of numerous obstacles, a survey of a number of reports from various parts of the interior reveals. Despite its modest start, the movement has taken definite root and already tangible results have been forthcoming. The extent of progress, thanks to the enthusiastic reception given by the populace and to the zeal of its many organizers and friends, is now likely to become greater in geometric rather than in arithmetical proportions.

The reasons for the establishment of cooperatives in China during the war are apparent. At the outset it was realized that a prolonged war had to be waged on two fronts: military and economic. The systematic destruction of almost all of Chinese industries in the coastal provinces made it imperative to set up industries in the interior to offset these gigantic losses, to provide a new base for China's economy, and to furnish a livelihood for war refugees. Industrial Cooperatives, concentrating upon needed consumers' goods, produced by refugees and others, was seen to be the ideal immediate and practical approach to the problem. The slogan of the movement was succinctly put: "30,000 Industrial Cooperatives mean new life for millions."

A detailed review of the progress made to date toward this goal would be a tremendous task and could not fall within the compass of this article. A few of the highlights, however, may be mentioned so that a general picture of the diverse tasks and accomplishments registered may be obtained.

### 110 Units Established

In a long report from Chungking, Mr. Liu Kuang-peh, an American returned student now secretary-general of the Chinese Industrial Cooperative Society, said more than 110 cooperatives had been set into operation by January of this year, with a total of 2,000 members. One hundred and ten cooperatives set up and operating since August, 1938, is quite an impressive total. On the same time basis of calculation, there are at this writing well over 200 functioning cooperatives, with scores more scattered throughout the vast interior awaiting machinery and other essentials to commence operation.

According to Mr. Liu Kuang-peh, the cooperatives are now operating from three centers. The first center put into operation was the northwest headquarters in southern Shensi Province, with more than 70 cooperatives to which about \$200,000 have been loaned. The western Hunan center has more than 30 societies, and the southern

Kiangsi center has 10. About \$100,000 have been granted to the Anhwei Provincial Government for the establishment of cooperatives there in the "guerrilla districts" to realize the Society's hope of establishing industrial cooperatives behind enemy lines. Besides, the Society is ready to send more people to the Anhwei-Kiangsu-Chekiang borders to organize industrial units.

Work on a large variety of handicraft and small mechanical industries has already

produced in Szechwan, Kansu, Sikang and Shensi.

Alluvial gold mining will also be developed by the Society this year. It is estimated that 100,000 men can be thus employed in Szechwan alone, washing gold along the Yangtze and the Kialing rivers, with an expected monthly return of 30,000 ounces during the low river season. Besides, the southern Shensi, as well as southern Kiangsi rivers all have alluvial gold deposits which if fully developed will help to no small extent China's financial strength.

Capital for activities of the Society is provided for by the government, which has already allotted \$5,000,000 for the special purpose of financing this type of economic defence. Help from Chinese bankers is also sought by the Society to give the industrial cooperative movement a social character. It is expected that after advancing a small initial fund, the bankers will be interested enough to invest more when they have seen proof of what the cooperatives can do.

### Personnel the Problem

Personnel, however, is the major problem now confronting the society. Experienced workers from Kiangsu, Chekiang, Hopei, and other provinces where cooperative movements existed before the war, have been recruited by the Society. But skilled laborers are not enough for the time being. So the Society, with the help of other organizations and vocational schools, is now trying to train a number of qualified foremen with wide knowledge of the operations of the cooperative system, to handle the various industrial cooperatives.

It is the hope of the Society that these 30,000 societies, when organized, will form a national economic bulwark in three "lines of defence." The first, composed of the larger units, utilizing heavier machines, each employing many workers, located in the rear provinces where no danger of enemy penetration is expected, will primarily perform complementary function to the government's big industries program. The second is the smaller unit, located between the front and rear provinces, with machine tools that, in times of necessity, can be moved or turned into the third type. The third is the smallest unit, operating near the front or behind enemy lines in a "guerrilla fashion." The last-mentioned mobile cooperatives will receive the most attention from the Society, since they can provide articles of immediate necessity for the military forces, and can also serve as centers of economic organization, providing manufactured articles for the farming population, and preventing areas adjacent to the Japanese garrison zones from becoming economically colonized by Japanese goods.

An interesting communication has been received in Shanghai from the Northwest provinces from Mr. Rewi Alley, formerly assistant chief of the Industrial Section of

### Rise Up and Fight!



This war-time patriotic poster summoning the people to "Arise if you would not be slaves!" symbolizes China's spirit of resistance to the Japanese invasion which finds yet another expression in the developing Industrial Cooperative Movement.

started at the different cooperatives under the direction of the various centers. They include weaving, sewing, spinning, printing, leather-tanning and the manufacturing of soap, candles, buttons, charcoal, tiles and a hundred and one other things. The Society has decided to concentrate in 1939 on the establishment of a large number of cotton industry cooperatives in Shensi, Kansu and Hunan. These decentralized cotton mills will make use of the abundant raw cotton produced in these provinces and turn it into finished products. Another industry to be organized on a large scale is the wool industry. The annual output of 200,000 catties of wool in Chinghai Province alone will be sufficient for the use of more than 1,000 small industrial cooperatives, not mentioning the large quantity of wool

\*Those desiring more detailed information about China's Industrial Cooperatives are referred to "The People Strike Back, The Story of Chinese Industrial Cooperatives," published by the China Weekly Review, 50 cents postpaid.



the Shanghai Municipal Council, who resigned from his post last August and has since been assisting in the organization of the cooperative movement.

"Some cooperatives in this area," Mr. Alley states, "are already paying back capital though they have only been in existence for three months. Whatever is made these days, sells. The problem is the transport of raw materials, and in getting the man to the spot who knows just how the job is done."

### New Life for Villages

"Now that the railways are temporarily out of use, transport is diverted to the back roads, and hill villages take new significance. Once half deserted, they are now often filled with new life. At one such, a machine shop cooperative had been established. Its workers came from many an industrial center—Tsinan, in Shantung; Tientsin, Chengchow, Hankow. Their charcoal gas engine was not yet working, so the shafting was turned by two members at a great wooden wheel."

Mr. Alley, a realist, does not minimize the obstacles being faced by the movement. "Of course the path of the Industrial Cooperative Movement is strewn with difficulties," he states, basing his remarks upon a long tour of inspection. He adds that the movement must "combine skilled workers, raw materials and capital, in spite of the difficulties of transportation, and personnel. It has to present to the worker a new way of working—to get over his natural suspicion of any new method. It must preach the doctrine of self-help to those who have perhaps become used to charity. It has to bring in new methods of production so that production can be maintained at an economic level compatible with the members' livelihood. It has to deal with human beings—conscious human beings—with a great variety of backgrounds. And in order to get the support it needs it must produce results quickly, at once, almost. The fact that it has been able to produce results in the limited time set, and the fact that throughout the country from the hills of Fukien to the plains of Mongolia little industrial units are being organized, workers trained, and depots set up, argues well for the success of this new force for the victory that must be China's if the world is to stay at peace, and humanity progress as it should."

### Chain of Industries

According to Mr. Alley, the C.I.C. hopes that by the end of this year it will have been able to have constructed and set up a chain of small industries reaching from Inner Mongolia to the eastern provinces. Within this year it hopes to very materially assist in the supply of essentials and consumers goods, to translate slogans into action, to put many idle hands to work, to give employment to at least some desiring work. It also hopes to supply technical assistance for existing small enterprises that need it, and to organize them into units that can stand the stress of war. It will make every effort to organize refugee and crippled soldier labor when possible, will assist in the development of simple transport systems. "The obstacles in front of a realization of this plan are tremendous," Mr. Alley states. "But with the support of earnest minds at home and abroad, the backing of a government determined in its policy of resistance, and with the devotion of its staff of engineers, cooperators and technicians, the C.I.C. has every chance of fulfilling the role it has assigned to itself."

The Chinese Industrial Cooperative Movement has aroused world-wide interest

## Sino-Soviet Airliner Completes Round Trip

The tri-motored passenger airliner *Lanchow* of the China National Aviation Corporation, which made its maiden flight to Hami, in eastern Sinkiang on Mar. 24 to inaugurate the Sino-Soviet air service, completed its return flight to Chungking Apr. 1. A weekly service is henceforth to be maintained.

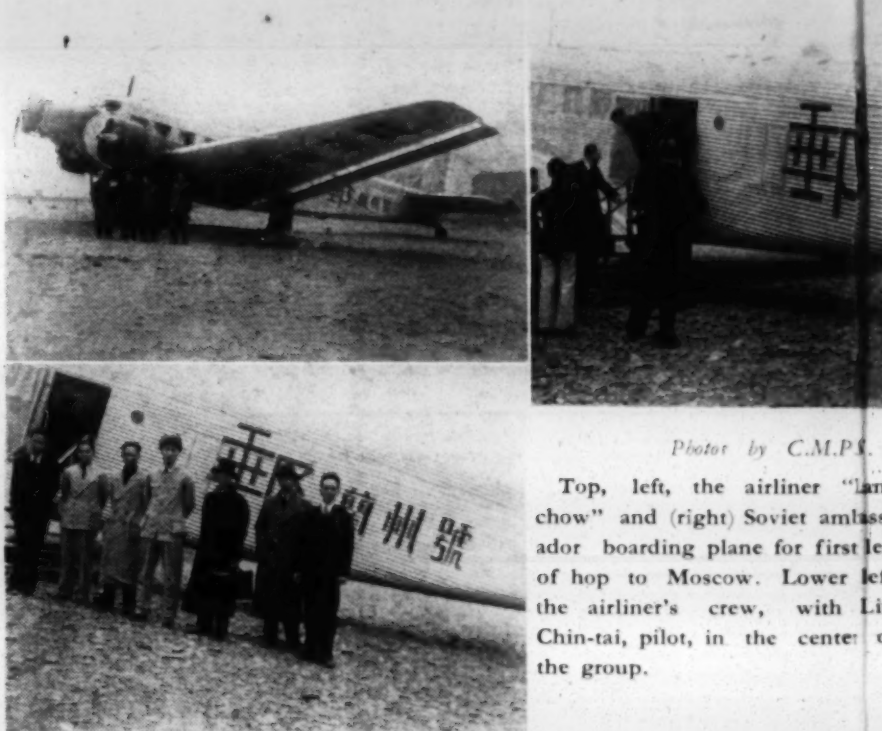
Interviewed by *Reuter*, the pilot, Lin Chin-tai, said that weather conditions throughout the trip were good. Three high mountain ranges had to be crossed:

Hami. The Soviet ambassador was proceeding to Moscow to consult with his government.

Negotiations have been completed with the Chinese Government for a U.S. \$15,000,000 credit in the United States for the purchase of airplane motors from the Pratt-Whitney Division of the United Aircraft Corp., *United Press* reports.

It could not be verified whether the entire credit would be spent with the one manufacturer. Announcement of the new credit confirmed recent reports from Chungking, where the credit negotiations were first reported.

### First Pictures of Chungking-Hami Flight



Photos by C.M.P.S.

Top, left, the airliner "Lanchow" and (right) Soviet ambassador boarding plane for first leg of hop to Moscow. Lower left the airliner's crew, with Lin Chin-tai, pilot, in the center of the group.

the Lupanshan between Sian and Lanchow, the Wusialing between Lanchow and Liangchow, and the Tasuchshan (Great Snow Mountain) between Liangchow and Suchow. The plane was obliged to fly at an altitude of 13,000 feet as all the ranges are more than 12,000 feet high, he said.

The pilot also disclosed that the Soviet section of the Chungking-Moscow air route, between Almaty and Hami, has not yet been inaugurated as the air-field at Urumchi is still covered with snow. The Soviet ambassador China, M. Luganets-Oreksy, and members of the Soviet Embassy in Chungking, were among the passengers in the *Lanchow* on its maiden flight to

and friends of China in England, America, the South Seas, and many other places have been writing to individuals and their friends begging for information. Requests for information have become so numerous that a Promotion Committee has been established in Hongkong. According to Miss Ida Pruitt, a member of the Committee, arrangements have been made to supply all persons with the information they desire. In addition, a fortnightly news bulletin will soon be issued and will be sent to all those who desire to receive it. A permanent office is soon to be established, but in the meanwhile all mail and contributions can be addressed to Chinese Industrial Cooperatives, P.O. Box 222, Hongkong.

## Burma Road Impassable When the Rains Come

The view that the Burma-Yunnan highway will be impassable when the rains come, was expressed to a *Reuter* correspondent in Singapore on Apr. 2 by two Frenchmen who travelled over the road recently. The two motorists were Henri de Vilmarin, correspondent of the Paris journal *Le Jour*, and M. R. Chancel, French cartoonist.

As yet, in their opinion, the Chinese section of the highway has not had time to consolidate and will be rendered unusable when water rushes down the ravines in the coming rainy season. The bridges, they said, will not take trucks of more than 3½ tons.

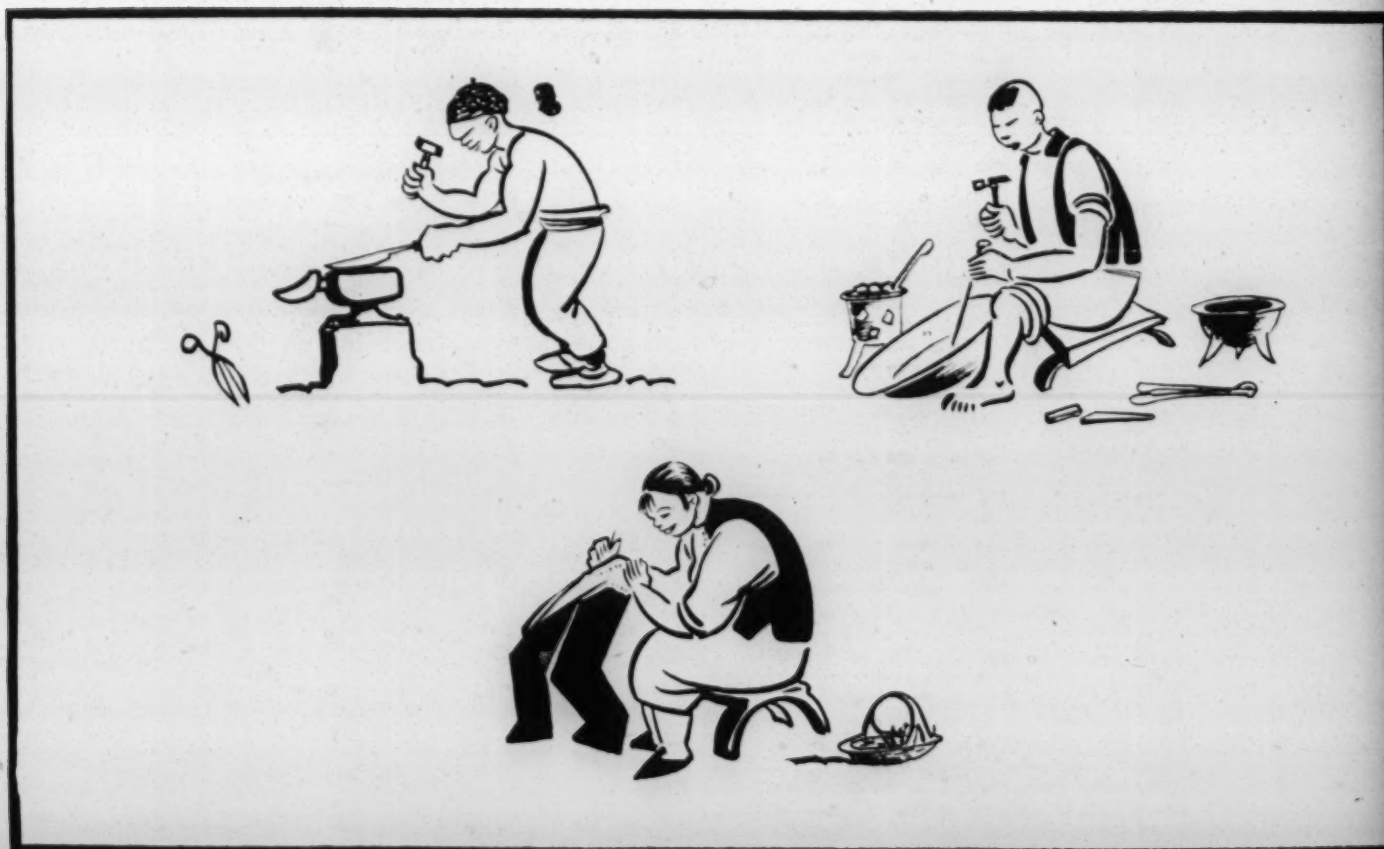
The section of the highway through Burma, by way of contrast, they reported, "is splendid, you can travel on it at any speed."

A *Reuter* report from Rangoon Mar. 31 said that considerable quantities of arms and ammunition continue to arrive in that city for transshipment to China by the Burma-Yunnan highway. The attitude of the Burma government, the agency said, appears to be neither to obstruct nor to facilitate the work of transshipment, the flow of war supplies into China being regulated solely by the ability of the Chinese transport authorities to handle the traffic. Transport arrangements are in the hands of the Southwest Transportation Company, a Chinese concern, which now has offices in Rangoon.

CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



Old China is an agricultural country.



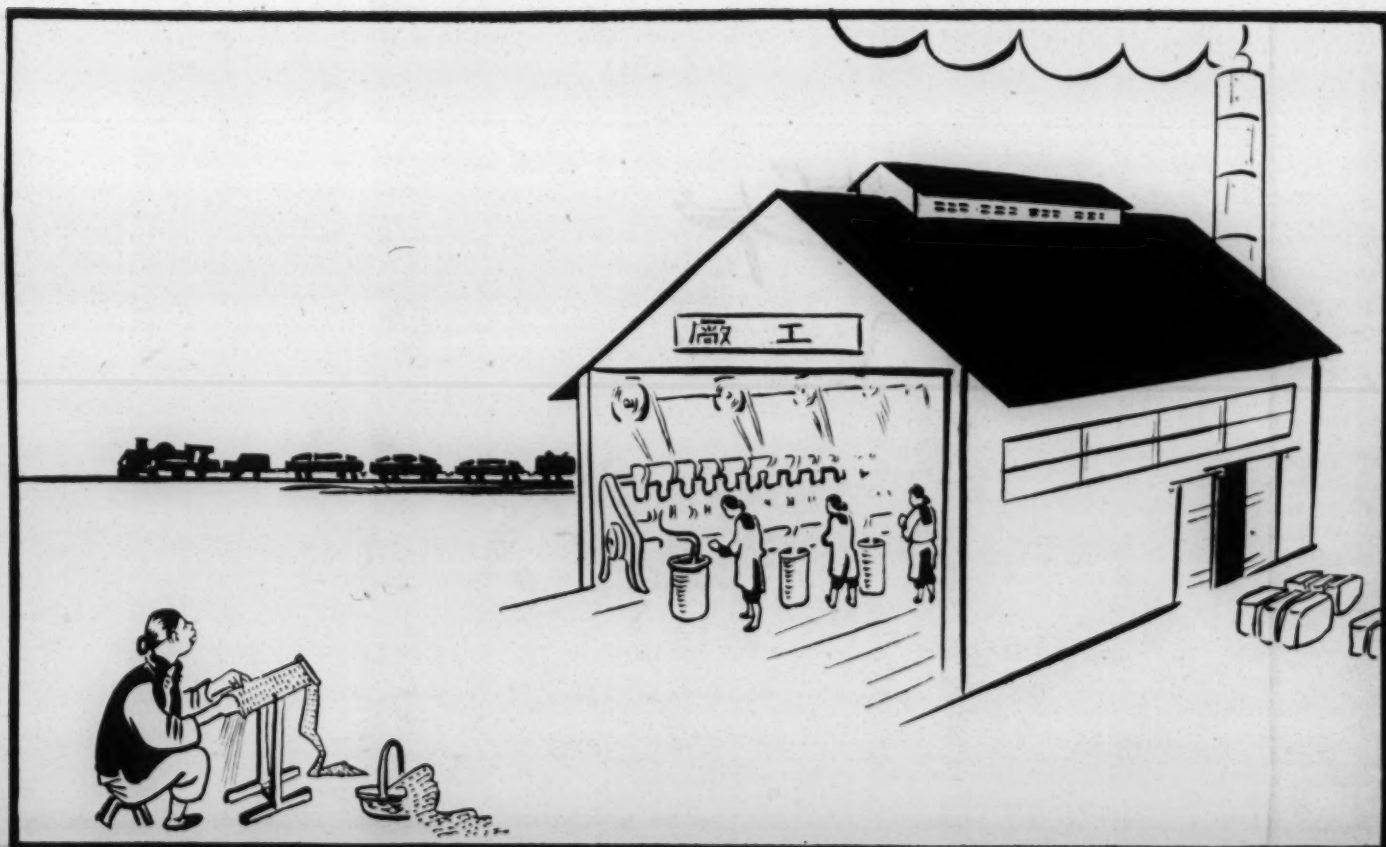
The only industries are handicrafts.



## CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



Modern machines and factory industry come from the West.

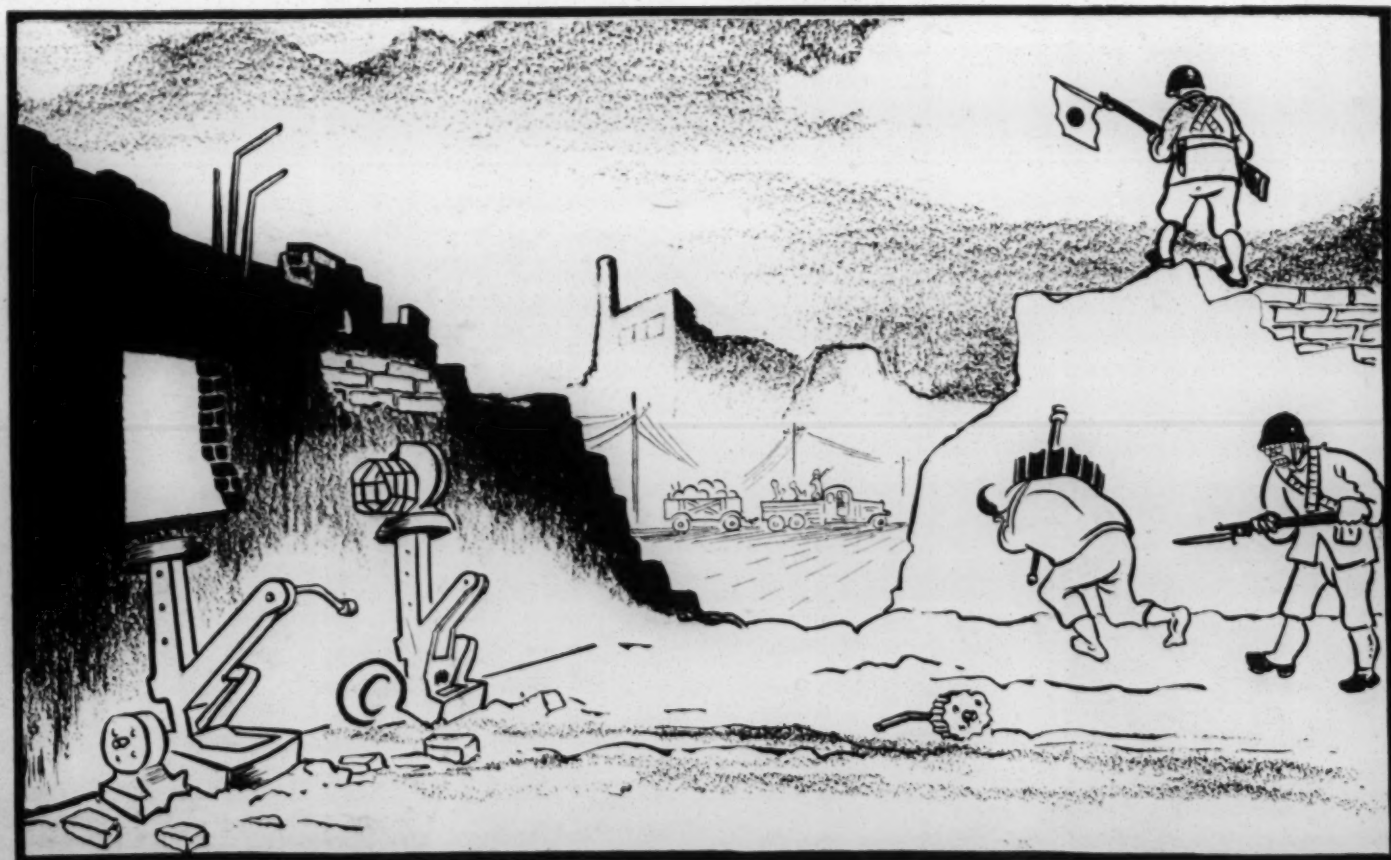


Handicrafts cannot compete with factory goods produced by the trainload.

CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



The Japanese invaders seek to destroy Chinese factories.



The invaders destroy factories and make Chinese carry away the machines for them.



## CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



The country is filled with refugees.



The Japanese kill Chinese workers.

CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



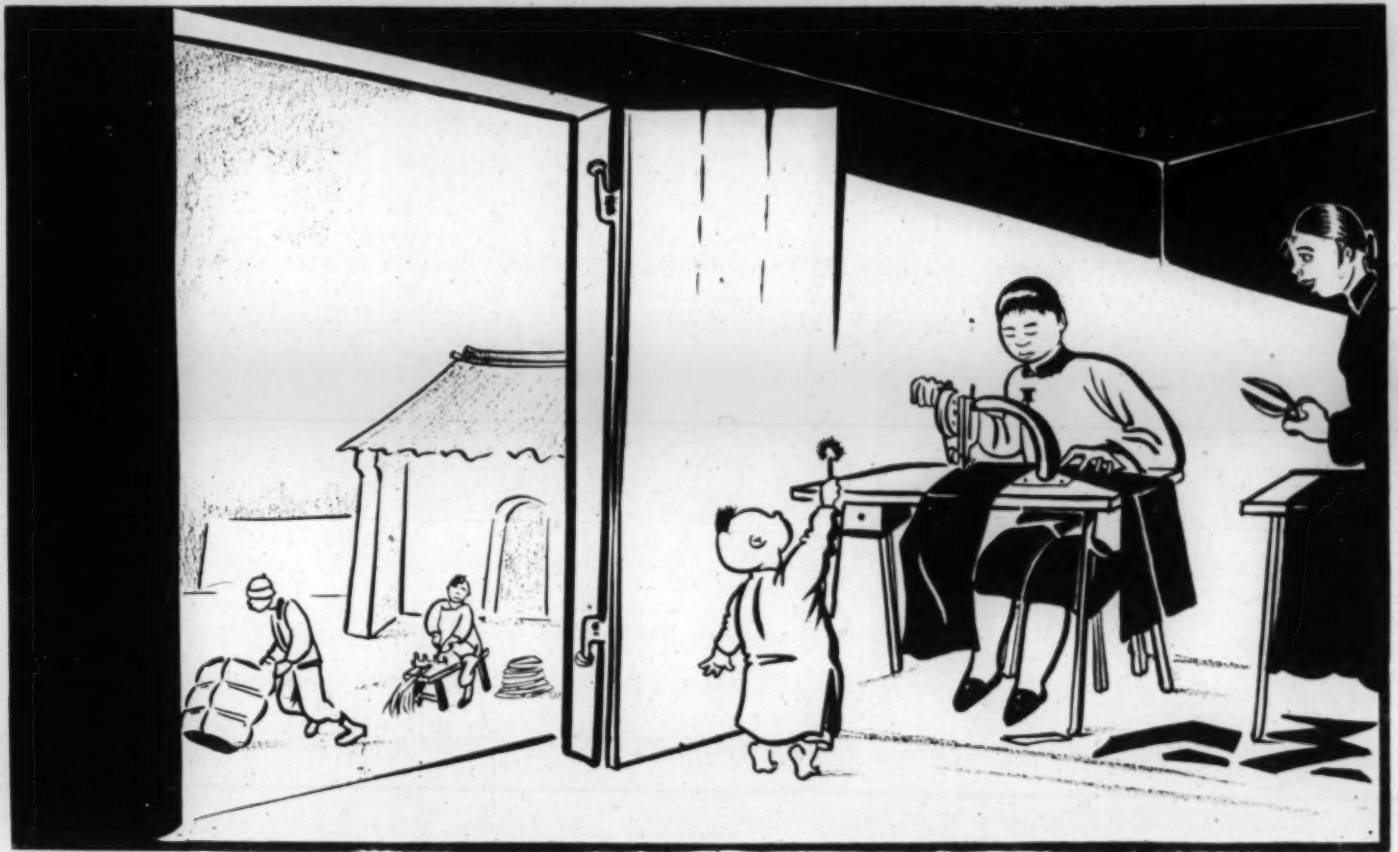
With industry destroyed the Chinese soldier cannot be equipped.



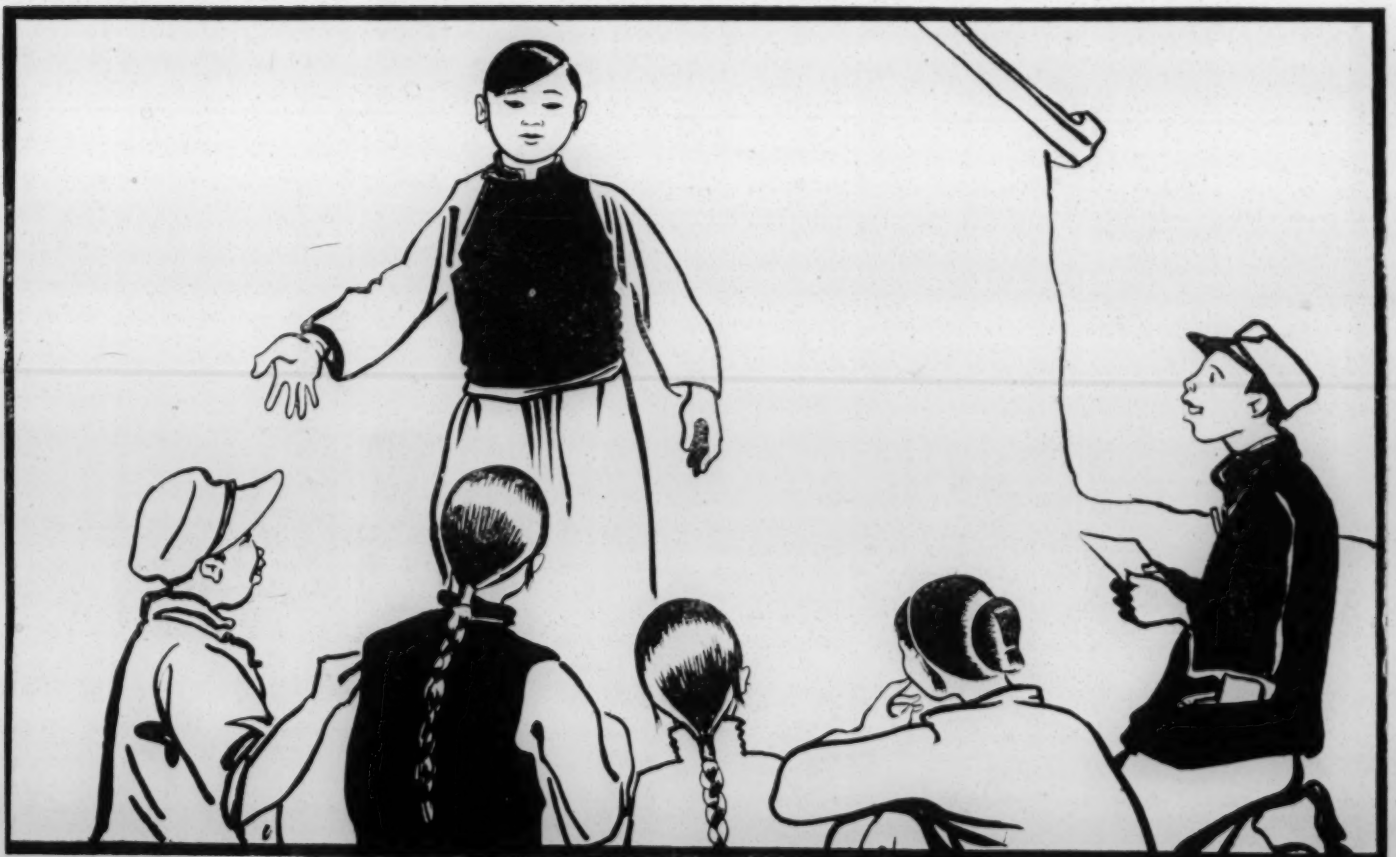
Refugees are buttonholed by a Cooperative organizer.



## CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT

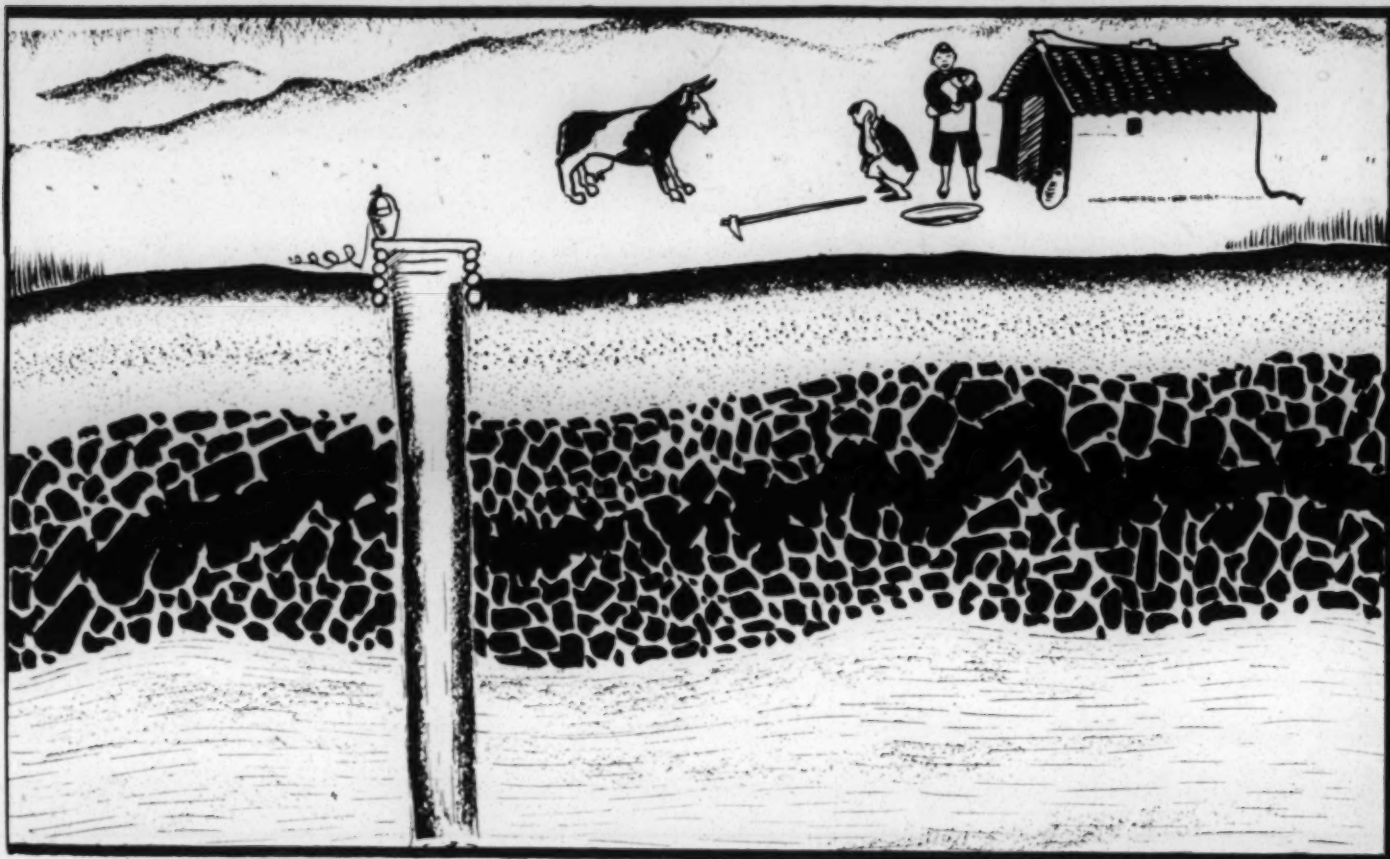


A Cooperative workshop is set up: Everyone is happy.

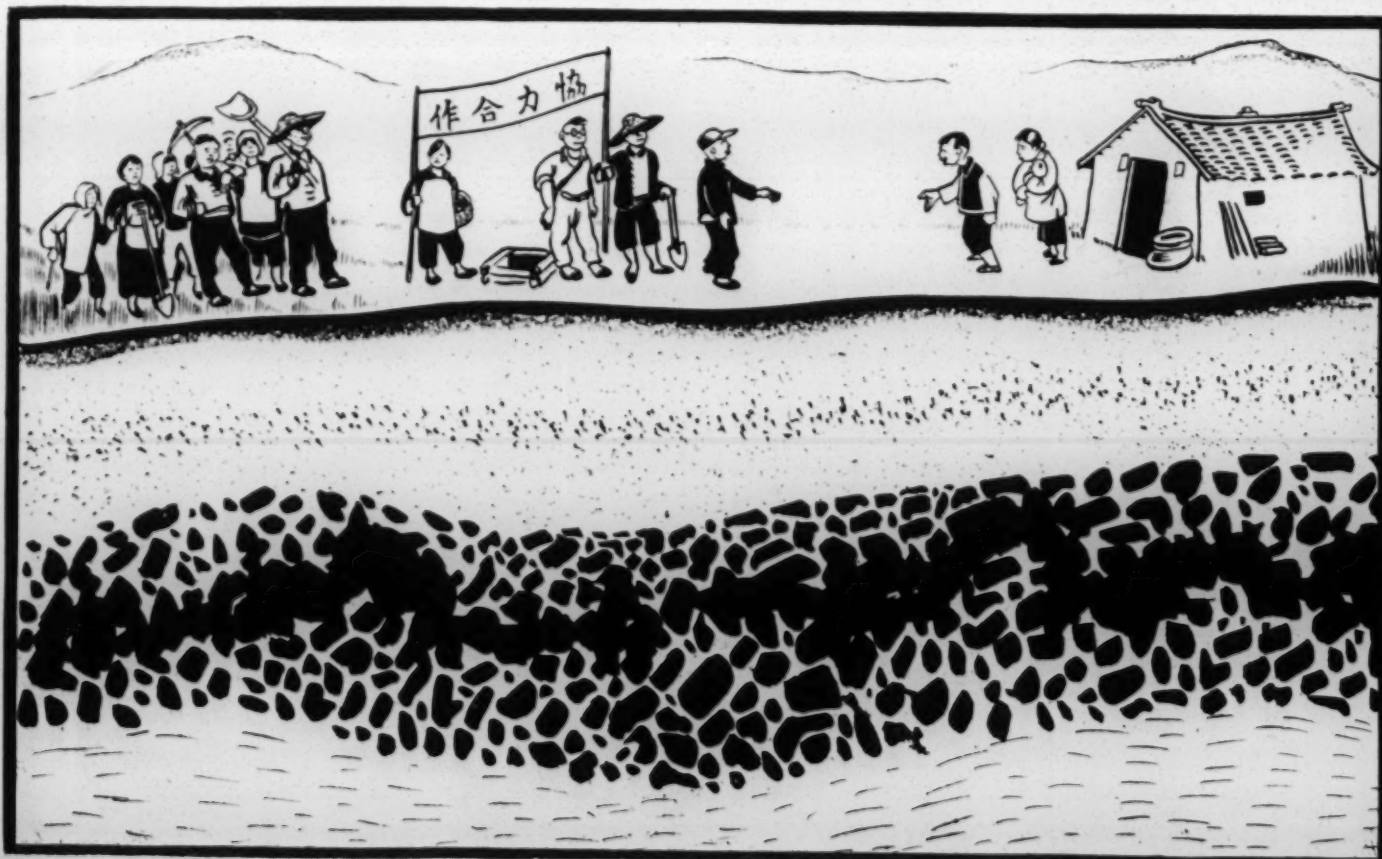


Everyone participates in the Cooperative meetings.

CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



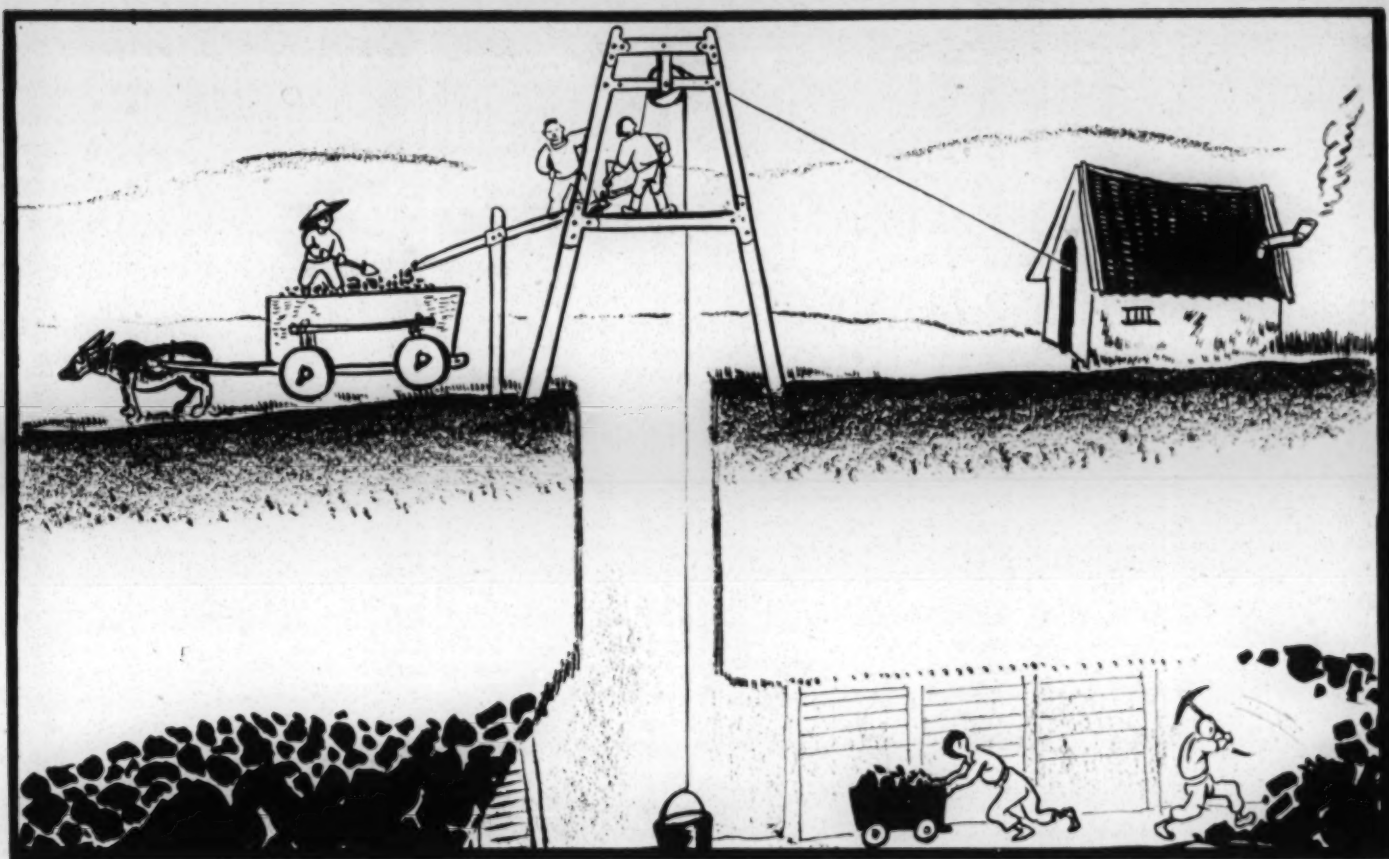
The ruined farmer does not know there is coal beneath his land.



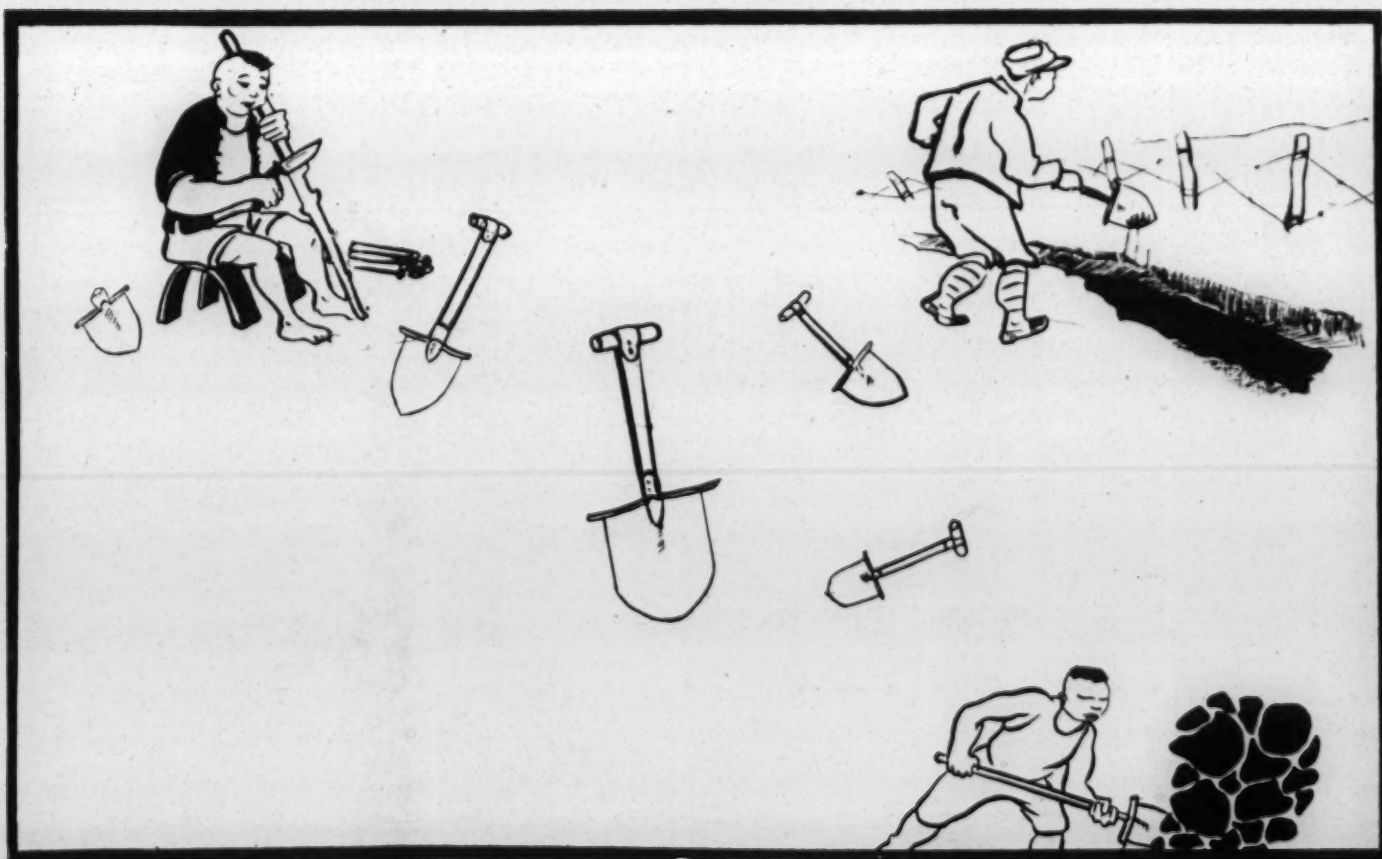
The Cooperative offers to assist him.



## CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT

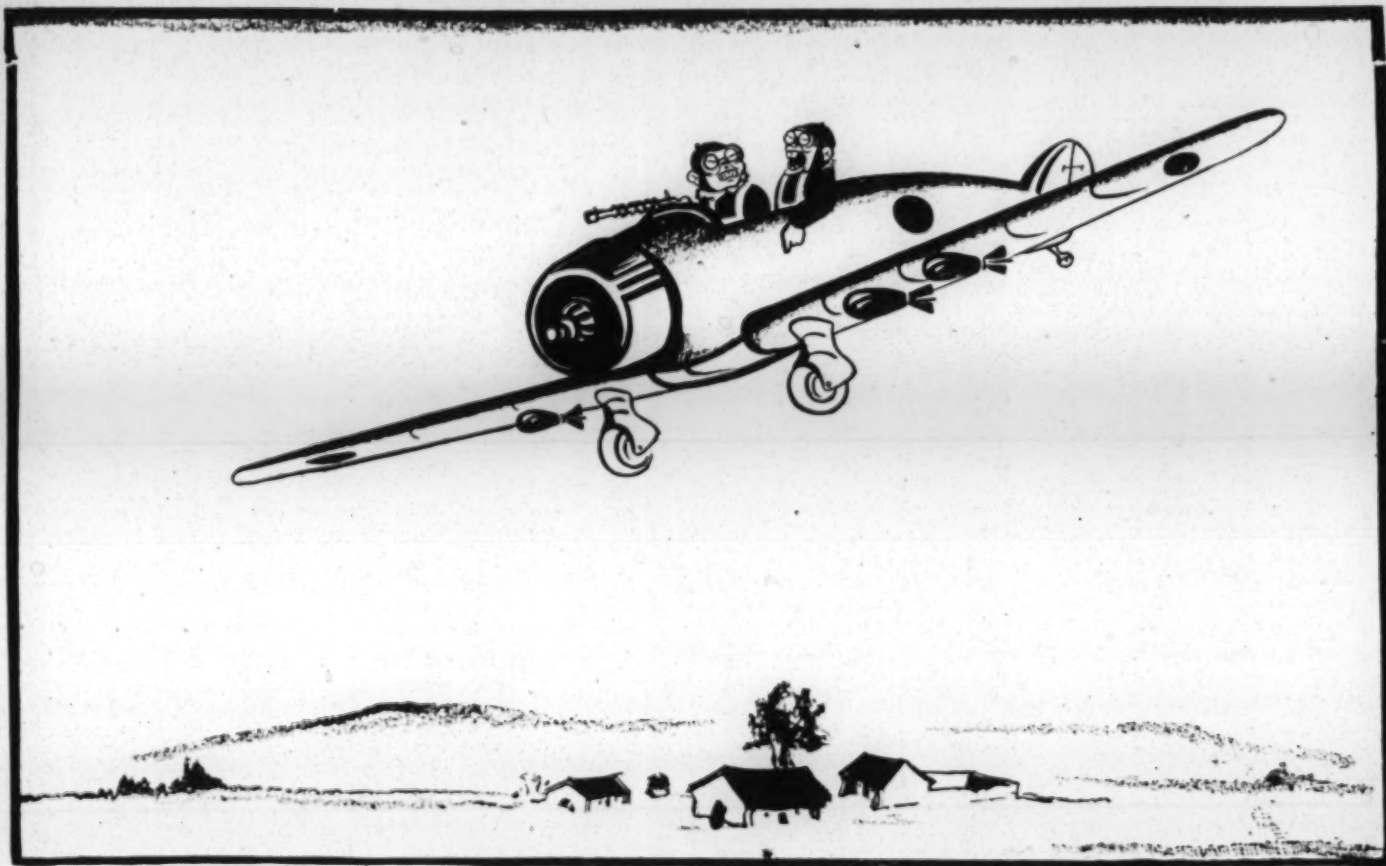


The Cooperative sinks a shaft to win coal for industry.



The small tool maker helps the soldiers dig trenches with his spades and also helps industry to dig coal.

CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



From the air Cooperatives look like farms: They are safe from bombing.



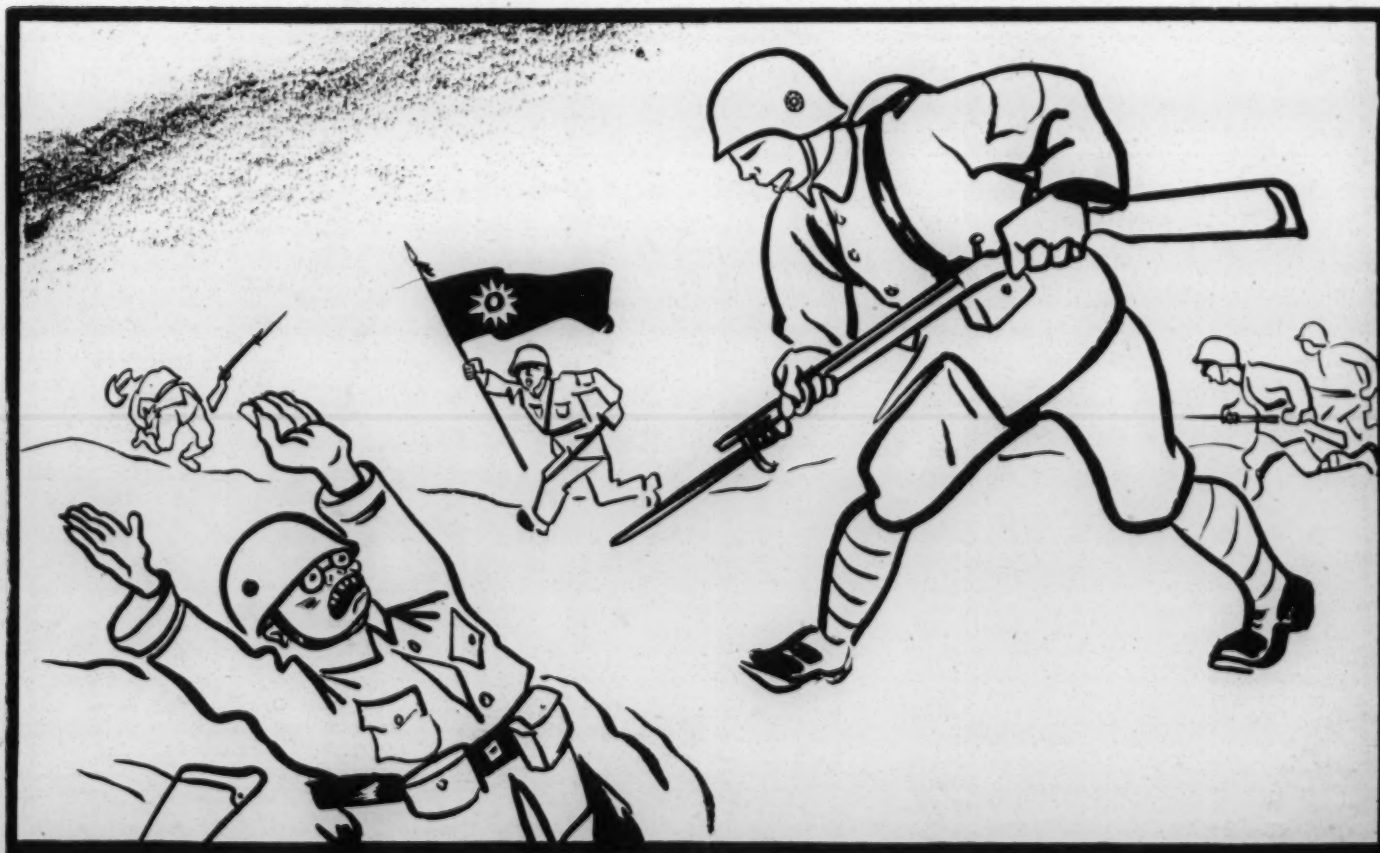
Japanese attack the coastal cities, so the Cooperatives are placed inland where they are safe.



## CHINA'S INDUSTRIAL COOPERATIVE MOVEMENT



With the Cooperatives working, the soldiers can be equipped with rifles, helmets and accessories.



And drive out the Japanese invaders.

# The Unknown Chinese Soldier

BY AGNES SMEDLEY

TODAY I saw a peasant soldier of China die. In him was embodied the death of a million men of China who have given their lives that their country may not be subjected and their people enslaved.

There was nothing of world importance in this man's dying. He left no uncompleted work, no labor that others could not do. He made no inspiring statements as he died, no messages for his friends, his family or country. In silence he closed his weary eyes, and even the wounded who lay on plank beds near him hardly knew of his going, nor did they know his name.

The man was perhaps forty years of age, a new volunteer in a detachment of the New Fourth Army. He was a peasant, long and haggard from months or years of hunger. Two front teeth were missing, his face was so dark and lean and stark from suffering that one turned to look at him time and again. All that was known of him was told by another wounded man who had been in the same company with him. They had attacked a Japanese position. They did not know they were wounded until the battle was ended and they began to return to their headquarters. Then they could no longer walk. One foot of each man had been pierced by a sharp spike-like piece of bamboo which the Japanese had driven into the earth around their defences.

## He Was a Peasant

The peasant lay silently on his bed, and the only thing he ever said was that his name was Wu and that he was a peasant by occupation. Every line of his face and body was eloquent of anguish. He seemed to be thinking and thinking. He saw little that passed about him. His mind was centered on some thought beyond, perhaps on the pain that held him prisoner. The doctor said of him:

"He cannot live. He is so under-nourished that he has no resistance at all. We do not have time to build up his strength."

By the noon of the third day he closed his eyes forever. As he had lived, so he died, unassumingly, humbly, causing no one trouble. Even the men on either side of him did not know of it until men came and carried away his body. Soon his lean form was laid in an unpainted wooden coffin and sunk into a slight depression on a hillside, and the coffin heaped with earth. A narrow unpainted board bearing his name, date of death and the Army in whose service he had died, was put at his head.

## So Soon Forgotten!

Soon the rains will soak into the grave rotting the coffin and the body, and slowly the mound will sink. Grass will creep over it, sinking deep roots. Some poor peasant child gathering firewood, will pick up the little headboard, but even the name of Wu will have been washed from it. The slope on the hillside will resume its old shape.

Who was this man and what had been his life? Somewhere in the Army is a brief record of him—his name, occupation, age, and native village. But who has time to search the records for a million men slain? He was some forty years of age, yet the Army to which he belongs seldom takes such men. Men of such age have families to support, and the younger men go to the fight. His Army also takes no conscripts, but only volunteers. So this man volunteered. Was he a peasant whose family had been slain by the enemy invading his country, his village levelled

into dust? Surely. For he fought in a region lain desolate by the invader. The man from his company only knew that he had but recently joined the Army. He had been hungry for a long time. His silence, his stark face, his eyes gazing always at some thought beyond, all spoke of long anguish for which language finds no expression.

I wander restlessly through the hospital where he died, and the hillside where he

future free society of China they will have no share—did they know that when they picked up a rifle?

How ugly he was in death—and how beautiful! How tragically great the common men of China! Their country has offered them nothing but sorrow and hunger, cold and suffering. Still they offer their lives for that country. Thousands die on deserted battlefields. Other thousands stagger to the rear, ruefully watching their

## Death Rains From the Heavens



空龍者也炸彈向誰投  
懷裏嬌兒猶索乳  
眼前慈母已無頭  
血乳相和流  
嘉興江南  
吳所見

Cartoon by Fong Tsi-kai

A crimson realism characterizes many of the products of the Chinese cartoonists in the present war period. This cartoon shows a mother meeting a horrible death while suckling her baby.

and so many others like him are buried. I think: It is easy to march off to battle to the plaudits of family, friends, and lines of watching citizens. It is easy to die in the limelight, knowing a nation will honor you, and your life be used as a model to others. But this man Wu, and a million others like him, fight and die in obscurity, unwept, unknown, unmourned. In the

uncared-for wounds, their eyes searching the mountain paths and the highways of the plains, yearning for help that never comes. Some lie down beneath some leafless tree and sink into eternal rest. Those who at last find refuge are tenderly grateful for even the slightest care. Their eyes follow you and draw you back to them as a magnet draws steel.



# Outstanding Events in the Sino-Japanese War

## A DAY-TO-DAY SUMMARY

*First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.*

### March 19

Foreign missionary killed at Pingkiang in Hunan during Japanese airbombing of that city on March 15 identified as the Rev. A. G. Leigh, 35, of English Methodist Missionary Society. The Rev. Mr. Leigh returned to China only recently (in January) from furlough in England.

Madame Chiang Kai-shek arrived at Hongkong on March 17 from Chungking by air; purpose of visit said to seek medical treatment.

Ambitious program of Chinese Industrial Cooperative Movement revealed by R. Alley, vice-director of the movement, following his return (yesterday) to Chungking from extensive tour of cooperative centers in Kiangsi and northwest provinces. The movement, according to Mr. Alley, aims at:

1. Meeting the industrial needs of the interior in wartime.
2. Helping to solve the war refugee problem.
3. Helping to solve the problem of disabled officers and soldiers.
4. Reducing the need for foreign imports.

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### March 20

Compounds of American Methodist Mission at Kiangling (formerly Chinchow), in Hupeh, west of Saasi, bombed by Japanese planes yesterday, causing death of three Chinese.

Heavy artillery duel being fought between Chinese and Japanese forces across Siang River in Central Hupeh, where Chinese troops strongly resisting Japanese attempts to advance westward towards Ichang. Meanwhile, another Japanese column also attempting to advance to the northwest, in the direction of Siangyang and Fancheng.

Operating with looted materials from Chinese plants, seven seized Chinese cigarette factories, now under Japanese management, are flooding Shanghai market with their products, according to Chinese report.

A total of 58,511 corpses—an average of 160 per day—were cremated by Shanghai Public Health Department during the past year, according to Municipal Council's Health Commissioner's annual report.

F. D. Mortimer, president of Chinese-American Publishing Company, filed second protest in five months with American consular authorities in Shanghai over illegal confiscation and mutilation of American books and magazines by Japanese censors in the Chinese Post Office.

Beginning April 1, Yunnan Provincial Economic Affairs Commission will enforce strict control over imports and exports, according to Chungking report.

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### March 21

Severe fighting broke out in northern Kiangsi, where the Japanese crossed the Hsiu river on March 17 at two points and at present are attempting to push to the south towards Nanchang, Kiangsi capital.

Japanese troops on east bank of Siang river in Hupeh crossed on March 18 and are pushing towards Shayang, east of Shasi.

Japanese troops said threatening Wuning, important Chinese defence position in northwestern Kiangsi, as a concerted attack is being launched

upon Chinese lines extending from Lake Poyang in the east to Lake Tungting in the west.

Tseng Chung-ming, close associate of Wang Ching-wei and former vice-minister of Railways, Mrs. Tseng and a third unidentified person seriously wounded in Hanoi by four Chinese gunmen who broke into the Tseng house and fired at its occupants. Object of attack believed Wang Ching-wei, but the gunmen entered wrong house. Three of the four gunmen subsequently arrested by Hanoi police.

American Embassy at Chungking informed by American Covenant Missionary Society at Sianyang, that its hospital and the foreign residence were bombed by Japanese planes on March 19, but no member of the American staff was injured.

Clarence E. Gauss, American Consul-General in Shanghai, protested to Japanese consular authorities over confiscation by Japanese censors of mail matter addressed to Chinese American Publishing Company.

China Currency Stabilization Bill, providing for establishment of \$10,000,000 fund to check undue fluctuations in the sterling value of Chinese dollar, passed in British House of Commons at the second reading without division.

"Although Japan is professing to retain a regard for third-party interests in China's trade, she is actually ignoring those interests in the furtherance of her own," reported G. Boelsen, German chairman of Shanghai General Chamber of Commerce, at annual general meeting of the chamber. Mr. Boelsen gave a detailed, unbiased report of Japanese efforts to obstruct foreign trade in China during 1939.

Wang Chih-zung, 40, puppet official under the Japanese in charge of issuing permits to cargo boats plying inland waters of central China, shot and killed in his room at Wei Chung Hotel at corner of Hupeh and Hankow Roads.

Assassination of Chen Chin-tao, puppet finance minister of Nanking regime, reported in Shanghai, but official confirmation of report unavailable.

K. Mukai, Japanese curio dealer, with shop on Bubbling Well Road, International Settlement, stabbed by two unidentified Orientals (Koreans or Chinese?) in his shop and seriously wounded. Incident believed to be non-political.

Ningpo threatened by new Japanese drive, Japanese troops said within 35 miles of town as they effected a crossing of Chientang River and occupied a Chinese defense position on east bank, according to Japanese report. Chenhai severely shelled by Japanese warships, Wenchow heavily airbombed.

Japanese in Canton attempt to form puppet army to fight Chinese guerrillas. Some 200 Cantonese said recruited. Canton police also furnished with rifles and pistols.

Three Chinese workers employed by China Cardboard Manufacturing Company, in Yangtzepoo district, Shanghai, wounded by Japanese gendarmes with bayonets.

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### March 22

More than 200 Chinese refugees killed during Japanese airbombing on March 16 of a refugee camp conducted by an American hospital in Chengchow, Honan, operated by the American

Southern Baptist Mission, according to information received by the Mission's headquarters in Shanghai. Five patients in the hospital killed, when it was hit by Japanese bombs in three raids, two on March 16 and one on March 18.

Shanghai Municipal Council protested to Japanese authorities over new traffic regulations in Hongkew and Yangtzepoo districts recently promulgated by Japanese Naval Landing Headquarters.

Ransom of \$2,000,000 demanded for release of H. F. Dyott, prominent British merchant in Tientsin, who was kidnapped on March 17 by "pro-Japanese" bandits, from his home in ex-German Concession in Tientsin.

Chenhai, strategic city on Chekiang coast, heavily shelled by Japanese warships on March 20, according to arrivals in Shanghai from Ningpo. Population ordered by local authorities to evacuate in fear of indiscriminate bombing by Japanese airplanes.

Kinhua, in northern Chekiang, where the headquarters of Commander-in-Chief of the Fourth War District is located, also severely airbombed (yesterday).

Foochow, capital of Fukien, air-raided twice yesterday; the first bombing since July 7, 1938.

Severe fighting raged for four days and nights on south bank of Hsiu River, (northern Kiangsi) after the Japanese crossed in vicinity of Yungshiu and Chiutsin, according to Chinese report. The Japanese at present are engaging Chinese troops north of Tuchiapu, Chentsun and Liuchwang.

Tseng Chung-ming who was seriously wounded by Chinese gunmen in Hanoi yesterday, died.

Immediate discontinuation of German arms and ammunition sales to Chinese Government requested by General Oshima, Japanese Ambassador, when he called upon Herr Joachim von Ribbentrop, Reich's Foreign Minister on March 20, according to Havas report.

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### March 23

C. S. Franklin, Chairman of Shanghai Municipal Council, lodged protest with Consular Body against the presence of puppet Chinese gendarmes on Settlement bridges north of Soochow Creek and a parade of "Ta Tao" police in Municipal Park in Hongkew.

Japanese troops in northern Kiangsi pushing towards Nanchang in six columns with the main body attacking Yungshiu sector. Fighting now extends from Tuchang, on east shore of Poyang Lake, to Wuchen, on west shore.

Japanese claimed capture (yesterday) of Fengsin, 50 kilometers west of Nanchang. Anyi, principal town between Yungshiu and Fengsin, also reported fallen yesterday afternoon.

Tracks of Peiping-Hankow Railway near Paoting destroyed by Chinese guerrillas, disrupting traffic between Peiping and Shihkiachwang. Fighting resumed between guerrillas and Japanese troops near Mentowkow, west of Peiping.

Tinghsien, on Peiping-Hankow Railway in western Hopei, recaptured by Chinese on March 18, after surprise attack.

Following death of his secretary, Tseng Chung-ming, Wang Ching-wei, ousted Kuomintang politician, reported to have changed his residence in Hanoi. Reports of attempt on Wang's life confirmed in Chungking; four overseas Chinese said responsible for daring attack.

Cultural pact signed between Japan and Italy in Rome on occasion of 20th anniversary of founding of Italian Fascist Party.

Japanese report that Gen. Cheng Chien, Commander-in-Chief of Chinese Forces in Northwest China, died on March 21 of injuries sustained during Japanese airbombing of Lanchow on Feb. 23, categorically denied in Chungking. Gen. Cheng was not in Lanchow at time of Japanese air raid.

March 24

Japanese airplanes yesterday subjected Chinese defence positions on south bank of Hsiu River to day-long bombing. One Japanese bomber shot down in Nanchang on March 21, according to Chinese report. The Japanese on west shore of Poyang Lake continue to advance on Wucheng, while two other columns are pushing towards Wuning.

Japanese claimed capture (yesterday) of Wucheng, on west shore of Poyang Lake.

Three more foreign mission hospitals destroyed by Japanese air-bombing in past two weeks, according to report in **The China Press**. The institutions concerned were: Jenkins Robertson Hospital in Sian (Shensi), General Hospital in Chengchow (Honan) and General Hospital in Pingkiang (Hunan).

Huge fire of supposedly incendiary origin completely destroyed the Japanese N.Y.K. Godown on Whangpoo Road in Shanghai, including the Police Building of the Japanese Consulate-General and damaged a part of the main Consular structure. Blaze biggest since Shanghai War.

Severe fighting developed in eastern Chekiang, where Chinese forces are successfully checking advance of Japanese troops who crossed Chientang River on March 21.

New Sino-Soviet airline between Chungking and Almaty U.S.S.R. inaugurated today, when a Chinese plane, "Lanchow" took off from Chungking for Hami, Sinkiang carrying among its passengers the Soviet Ambassador, Ivan Luganets-Orelsky.

Japanese attempts to form a new puppet "central Government" said again revived, according to report from Peiping.

Japanese military authorities in North China have issued order forbidding people in East Hopei districts, particularly in vicinity of Peiping and Tientsin, from possessing arms for self-defence purpose.

British China Currency Stabilization Bill passed third reading in House of Commons without division.

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March 25

Possibility of return of Tsingtao, former German concession in China, to Reich by Japan said studied at Berlin, according to **Reuter** report. Tsingtao seized by the Japanese from the Germans during World War.

Nanchang threatened by three Japanese columns, from the north, east and west. The column which crossed Hsiu River at Chiutsin, is the closest to Nanchang and constitutes biggest threat to Chinese position north of that city.

Japanese military authorities claim rights of armed occupation in International Settlement, declared Japanese spokesman at press conference.

Property damage caused by the huge fire yesterday to N. Y. K. Godown on Whangpoo Road in Shanghai estimated at \$2,000,000; cargo destroyed included large shipments of chemicals and Indian cotton.

Documents authorising transfer of Broadway Mansions, British-owned apartment-hotel north of Soochow Creek, to the ownership of the Heng Chan Company, Japanese concern, signed today; British flag lowered and Japanese flag unfurled in formal ceremony.

## Nippon Government Takes Power to Curb Dividends

Meeting in extraordinary session at the premier's residence on Mar. 30, the Japanese cabinet adopted ordinances invoking Article 11 of the National Mobilization Act which provides for restrictions on the amount of dividend payments by corporations and also on the capitalization of companies. The question of invoking this Article has been a subject of heated dispute in government, financial and business circles in Japan since the end of last year.



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| Chuhsien             | Kweilin           | Kweiyang   | Mienyang    |
| AMOY                 | TIENTSIN          | Panhsien   | Loshan      |
| Foochow              | Peiping           | KUNMING    | Kwangyuan   |
| Trinkiang            | NANCHANG          | Mengtsu    | Santai      |
| Nanping              | Kian              | CHUNGKING  | ICHANG      |
| Chienou              | Linchuan          | Chengtu    | Hankow      |
| Pucheng              | Chengchow         | Wanhsien   | Changsha    |
| Santuan              | Kaifeng (Nanyang) | Ipin       | Changteh    |
| Kulangsu             | LOYANG            | Yaan       | Hengyang    |
| CANTON               | Sian              | Kiangtsing | Lingling    |

### FOREIGN CORRESPONDENTS :

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## Who's Who in China

William Hua-fuh Woo, Government official; born at Shanghai, May 20, 1905; B.Sc., Fuh Tan University, Shanghai, 1925; M. C. E., University of Wisconsin, 1929 and Ph. D., 1931; bridge designer, Wisconsin Highway Commission, U.S.A., 1929.



吳 華 甫  
William Hua-fuh Woo  
(Wu Hua-fu)

32; engineering draftsman, Lorain Steel Company, Johnsonstown, Pa., 1929; chief engineer, Yenching University, Peiping, 1932-34; Professor of Engineering, Peiyang University, Tientsin, 1934-36; Director and Chief Engineer, Bureau of Highways, Fukien Provincial Government, 1936-38; Senior Engineer, Ministry of Communications; now, Director, Bureau of Public Works, Chungking Municipality; author of "Analysis of Rigid Frame Structures by the Fixed Point Method;" address: Bureau of Public Works, Chungking, Szechuan.



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## Death Is Asked In Tokyo Red Trial

The public prosecutor has demanded the death penalty for Toshio Futami, 34-year-old leader of an alleged Communist-anarchist group of 19 men on trial in the Tokyo District Court on charges of murder, violation of the Peace Maintenance Act, of the explosives and fire-arms laws, attempted burglary and abandonment of a corpse. Penal servitude of from two to twelve years was asked for Futami's alleged accomplices, *Reuter* reported April. 2.

The suspects were arrested in 1935 on a charge of plotting to dynamite the director's home and the plant of a Tokyo factory during a strike. Severe police examination is said to have resulted in a confession they had shot and killed Junzo Shibehara, member of an anarchistic and communistic organization in the suburbs of Kobe in October, 1935, leaving the body in the woods behind the famous Nunobiki waterfall.

The group is also said to have admitted an attempt to rob the Takada Agricultural and Industrial Bank in Tokyo, two Tokyo branch post offices and another in Kobe, in order to secure funds for the reorganiza-

tion of the Japanese Communist Party after its dissolution by the Home Office.

## Futami Takes Blame

Toshio Futami, one-time chairman of the central executive committee of the now-crushed Communist-Anarchist Party of Japan, whose death by hanging was demanded by the prosecution at the opening session of the trial, wanted to shoulder the entire guilt, and pleaded for leniency on behalf of his 18 co-defendants.

Following Futami's plea, several of his co-defendants came to his support, urging that his life be spared. Sentences will be passed some time this month or in May. Besides Futami, the others on trial, and the sentences demanded against them, are: Shinichi Inoui, 25, imprisonment for 10 years; Kazunobu Kobayashi, 30, and Hisao Aizawa, 32, imprisonment for 10 years; Teibun Uemura, 37, seven years in prison; Hiroshi Irie, 33, and Minoru Terao, 35, five years; Ginichiro Tsubota, 33, four years; Go Mitsu, 27, Takeshi Hasegawa, 29, Etutaro Ito, 29, Shigeo Talokoro, 33, and Eiji Umamoto, 36, three years; Miss Tokuno Asakura, 33, Masao Onishi, 29, Ri Tejun, 31, Shinji Ota, 36, Tsuyoshi Mitsui, 25, and Yasuji Yamaguchi, 32, two years.

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## Men and Events

N. F. Allman, American attorney, departed this week on a business trip to Hongkong and Manila.

J. M. Major, assistant comptroller of the American President Lines, has returned to Shanghai from a trip to the United States.

The National debt of the United States, reached \$40,000,000,000, legal limit and all-time-high-point in the history of the country. The debt figures out at U.S. \$307 for each citizen of the country.

Jimmy James, operator of two restaurants in the Settlement and a bingo-dancing place at Jessfield, returned to Shanghai last week from a trip to San Francisco where he visited the Exposition.

Nelson T. Johnson, U. S. Ambassador to China, who traveled home by way of the new Burma road, is scheduled to appear shortly before the House of Representatives to report on conditions in China, according to report of *United Press* on March 31.

Japanese police at Dairen, Manchuria, on March 31, arrested Albert Earl, a British Negro sailor on the ship Marlborough, on a charge of slashing a fellow member of the crew, an Irishman named Charles Bright, with a "straight" razor. The affair took place in the Europa Cafe.

Sir Archibald Clark Kerr, K. C. M. G., British Ambassador to China, who has been in Shanghai for several weeks, is scheduled to depart for Chungking shortly, following a conference here with Sir Robert Craigie, British Ambassador to Japan, who arrived in Shanghai on a vacation trip this week.

John Goette, correspondent for *International News Service* (Hearst) who is stationed in Peiping, arrived in Shanghai this week. He travelled to Nanking with a number of Japanese newspapermen on the first train which the Japanese Army operated over the Tientsin-Pukow Railway since the service was resumed, following discontinuance as a result of hostilities in 1937.

Sir Montague Beauchamp, Bt., M. A., who arrived in Shanghai recently from England, spoke at the Holy Trinity Cathedral on Sunday afternoon, April 2. Sir Montague is on his way to visit his son who is connected with a hospital at Peoning, Szechuen. Sir Montague was a member of the "Cambridge Seven" who came to China to join the China Inland Mission in 1885.

The Japanese authorities in North China have announced the formation of a National Match Corporation, composed of 85 Chinese and 11 Japanese match factories. The corporation, which will start operation this month will enjoy a monopoly within territory under the jurisdiction of the Japanese Army which is administered by the Peiping "Provisional" and Nanking "Reformed" Governments. The headquarters of the concern will be in the Japanese Concession at Tientsin. Production will be at the rate of 1,500,000 cases annually, 60 percent of which will be produced in Chinese factories and 40 percent in the Japanese factories.

Instructions have been given to crew and passengers of clipper planes flying between San Francisco and Hongkong, and also to U. S. Naval vessels, to be on the lookout for the Chinese junk bearing Richard Haliburton and party which was last seen in the vicinity of Wake Island on March 23. Haliburton was attempting to sail across the Pacific in order to exhibit the junk at the San Francisco Exposition. The area between Wake and Midway islands recently has been swept by severe storms.

Mr. and Mrs. H. S. Redfern, who are retiring to England, after nearly 40 years of service in Christian educational work in the Ningpo district, were guests of honor at a dinner held in their honor on Friday evening, March 31, by some 60 Chinese residents of Shanghai who formerly were pupils of Mr. and Mrs. Redfern. The chairman was L. T. Yuan, member of the Municipal Council, formerly principal of the English Methodist College at Ningpo. Addresses were delivered by Dr. C. S. Miao of the China Christian Educational Association; Dean T. K. Van of the University of Shanghai.

The Italian Ambassador to China, who has resided in Shanghai for several months without presenting his credentials to the National Government at Chungking, was in Peiping on April 1 and 2, on his way to Japan where he will confer with high officials of the Tokyo Government. According to reports in the Japanese papers, Ambassador Marquis Toliani de Marchio, following the trip to North China, was expected to arrive in Japan aboard the Italian cruiser R. N. Bartolomeo Colleoni, on April 4 for an extended visit.

Earl T. Russell, vice-president of National Export Advertising Service, New York, is visiting in Shanghai on his second trip of investigation through the Far East. He is accompanied by Mrs. Russell and their daughter and have been the guests of C. P. Ling, proprietor of the China Commercial Advertising Agency of Shanghai.

Col. Nelson Spencer, Canadian lumber dealer, now visiting in Shanghai, stated in an interview in *The China Press*, that the Canadian lumber trade in the Orient had been reduced by 75 percent as a result of Japan's invasion of China. He said that a lumber "boom" which had started in 1937 had been completely shattered. He also said there was little prospect of a revival of the Canadian pulp market in the Far East.

David Efron, secretary of the Pan-American Committee for Democracy, in an address before the Academy of Political Science of the University of Pennsylvania at Philadelphia, exhibited maps alleging that Hitler had prepared claims over parts of Peru, Brazil, Argentine Republic and the Antarctic Continent. He said that Germany had leased harbors in Peru which were within striking distance of the Panama Canal and in addition the German Lufthansa concern had leased 39 airports in Brazil. He also said that Italian influence was strong in Peru. The German Embassy at Buenos Aires denied the allegation of German claims for Argentine territory, alleging that the reports had originated with documents allegedly forged by a German named Heinrich Jurgens, formerly a secretary on the staff of Dr. Joseph Goebbels, German Minister for Propaganda. Jurgens was arrested in Buenos Aires on April 1.

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Sylvia Chen, daughter of Eugene Chen, former Chinese Foreign Minister, is now giving dance-recitals in New York for the benefit of Chinese war orphans. According to a *Havas* report, Miss Chen was billed as "Si Lan-Chen," her dance numbers being entitled, "Death from the Skies," "In Conquered Nanking," "Portraits," and a Russian number called, "Uzbek Dance."

Japanese mesenauit over the European situation, as reported in the March 22nd issue of *Tokyo Chugai Shogyo Shimpo*: "When Foreign Minister Arita explained at the Cabinet meeting how Japanese Ambassador Fuji went to call on the Czech Foreign Office immediately after Hitler's announcement, and found that the Czech Foreign Office no longer existed, all five ministers at the Japanese Cabinet meeting burst out laughing in unison."

Capt. Evans F. Carlson, formerly Assistant U. S. Naval Attache, stationed in Hankow, is now with the Fleet Marine Force at San Diego, Cal. Capt. Carlson recently lectured before the Conference of the Institute of Pacific Relations at San Francisco, telling of his experiences in traveling in China's northwestern territories. When Capt. Carlson departed from China late last year, he intended to resign and devote himself to writing, but after a conference with officials in Washington decided to remain in the service.

J. Welden Jones, financial adviser to the U. S. High Commissioner in the Philippines, was a passenger on the President Coolidge last week bound for Manila. He spend three months in Washington discussing amendments to the Philippine Independence Act with members of Congress. He expressed the opinion that amendments providing for reciprocal tariff differentials between 1946 and 1960 would be adopted by Congress. Mr. Jones was accompanied by his wife, to whom he was married while in the United States.

Members of the faculty of Cheloo University, Tsinan, Shantung, held a memorial service on March 18 in honor of the late Dr. Peter C. Kiang, who died on Jan. 28 at the age of 55-years. Dr. Kiang, following his return from studies in the United States, served as member of the faculty and from 1934 to 1937 as Dean of Medicine at Cheloo. His specialty was biochemistry and pharmacology. He was active in the China Medical Association and assisted in the translation of medical books into the Chinese language. More than 300 Chinese doctors had attended his classes.

Judge Milton Helmick of the U. S. Court was guest of honor and chief speaker at the annual dinner of the Oxford and Cambridge Society held in Shanghai on the evening of Friday, April 1. Judge Helmick was introduced by J. R. Jones, newly elected president of the Society. He spoke on the subject, "Heritage of the Common Law in England and the United States," pointing out that it was a philosophy of human conduct as between man and man which should be preserved at all costs. Unfortunately, this heritage is now in peril, he said, due to the activities of others. The heritage disapproved of assassination as a political weapon, it stipulated fair instead of mock trials, it stood for justice between rich and poor, personal liberty. Officers elected included, President J. R. Jones; vice-president, J. McNeil; secretary, P. J. Innes; treasurer, N. J. Stabb; committee, A. V. T. Dean, R. J. Heyworth, Dr. J. H. Jordan, Dr. Sze Ming-sze and Judge Y. H. Lou.

The Japanese Ministry of Communications announced on March 29, a general reduction of rates on cable messages dispatched from Japan to points abroad. The rate from Tokyo to New York was reduced from Yen 2.55 a word to Yen 2.47 and from Tokyo to points in Europe, from Yen 2.48 to Yen 2.32. The reduction will cost the Ministry a loss in revenue amounting to Yen 1,000,000 a year, but it was hoped it would stimulate the export trade.

Three large-scale exhibitions of Chinese art objects for the benefit of Chinese war refugees, will be held at the Sun Company, Nanking Road, beginning April 10. Each exhibition will last for 10 days. The exhibits will include more than 300 choice Chinese paintings and calligraphical scrolls, covering all dynasties from the Tang. All will be supplied from local collections which heretofore have not been open to the public. Among the masterpieces will be the paintings of Wu Chang-shih of the Manchu Dynasty. Dr. Ting Hung's photographs of the Imperial Palace will also be shown.

The China Bible Society announced last week that 3,448, 796 publications of a religious character were distributed in China in 1938, the list including 67,488 Bibles, 73,708 New Testaments, 3,347,603 portions of the scripture. Among the publications for which a fee was charged was a new pocket Bible, which was sold to students for \$1. Great difficulty was experienced due to interruption of mails caused by the war situation and one shipment was air-bombed and destroyed by the Japanese at Nanchang. It was estimated that more than 1,000,000 books in Chinese colleges and universities have been destroyed as a result of the Japanese invasion.

Three Chinese youths connected with the "Lone Battalion," which was interned when the Chinese unit entered the International Settlement after holding out for several days in a warehouse on Soochow Creek, following the evacuation of the Chinese troops, escaped from the internment camp on Singapore Road, on Friday evening, March 31. The camp is guarded by the paid Russian Volunteer unit, S. V. C.

Members of the faculty and students of Shanghai University announced that a memorial service would be held at Moore Memorial Church, Yu Ya Ching Road, at 10 o'clock A. M. April 7 in honor of the late Dr. Herman Liu, former President of the School who was killed a year ago. Dr. Liu was murdered by gunmen employed by the Japanese-supported puppet administration in Pootung. The assassin when arrested, admitted that he had been hired to killed the well known university president.

The North-China Railway Bureau, Japanese military organ established for the purpose of operating Chinese Government railways which were seized by the Japanese Army in 1927-28, has announced plans for a "communications" network between Japan, North China, Manchukuo, Korea and Formosa, which will be inaugurated this month. Through tickets will be sold at from 20 to 40 percent discount to enable tourists to visit scenic places. Tickets will be sold through the Japan Tourist Bureau, the Japanese Ministry of Railways, Nippon Yusen Kaisha, Korean Railway Bureau and Manchukuo Railway Bureau. The round-trip Oriental Tours, all on Japanese controlled land and sea lines, will be widely advertised abroad, particularly in the United States.

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Randall Gould, editor of the *Shanghai Evening Post & Mercury*, sailed for Hongkong April 6 on the s.s. Empress of Canada. From Hongkong he will proceed by air to Chungking. He is expected to be absent from Shanghai for about three weeks.

Owing to demands upon the authorities of the International Settlement concerning the status of the First Special District Court, by the Japanese and puppet officials of the Ta-Tao Government, the British military authorities and Settlement police have established a strong guard about the Court buildings and compound, located on North Chekiang Road. Only lawyers wearing badges and accredited newspapermen are now allowed to enter the court and others who wished to enter the gates were carefully searched.

Indian merchants who are engaged in business in Shanghai, held a meeting on Thursday evening, March 27 and formed an Indian Merchants Association. The president is H. A. R. Savul, who announced that each group Indians in Shanghai would send two representatives to serve on the managing committee. This will include Shanghai-Parsee, Hindus and Muslims. P. B. Shroff reported that there are now 28 Indian merchants in Shanghai who are eligible for membership. Among those active in the organization are N. B. Dooha, Mr. Kima and Mr. Gidhumal. The organization recently entertained Dr. H. N. Kunzru, President of the Servants of India Society and D. R. R. Saxena, Indian Trade Commissioner, who is stationed at Osaka, Japan.

Dr. John Alfred Silsby, who was engaged in missionary work in China for many years with the Board of Foreign Missions of the Presbyterian Church, died recently in California. He came to China in 1887 and remained here for 41 years, spending much of the time as principal of Lourie High School. He also was interested in the translation of books into the Chinese language and assisted in the translation of the Bible into the Shanghai dialect. He also collaborated with Dr. H. Davis in the compilation of a Chinese-English dictionary. He is survived by Mrs. Silsby, formerly Miss Anna Moore of Long Island, to whom he was married in 1889. He also is survived by a daughter, Mrs. Robert C. Cross and three grandchildren.

Dr. P. F. Greene of the Yale-in-China Hospital at Changsha, was prevented from returning to Changsha by the Chekiang-Kiangsi Railway by the Japanese occupation of Nanchang on Monday, March 27. He had been in Shanghai purchasing a large quantity of medical and hospital supplies and had reached Ningpo on the return journey when the Japanese military made its drive on Nanchang, resulting in the cutting of the railway. As a result Dr. Greene was compelled to return to Shanghai early this week in order to obtain further equipment for a motor caravan consisting of several trucks. According to present plans, Dr. Greene and his party intend to travel by way of Kinhsa, Chekiang and thence over new motor roads through the mountains across Kiangsi a considerable distance south of the Japanese lines. Those who accompanied Dr. Greene included Dr. C. C. Talbot of the United Evangelical Mission at Changsha, two volunteer doctors, one American and the other a German-Jewish refugee, several Catholic priests and nuns, two foreign motor mechanics and several Chinese women nurses. Most of the medical supplies were contributed by the American Red Cross, China Medical Association and the British Lord Mayor's Fund. The route they planned to follow was more than 1000 miles.

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## New Books of Interest in the Far East

### The Kremlin Speaks

*Soviet Policy and Its Critics*—By J. R. Campbell. London, Victor Gollancz, Ltd., 1939. 381 pp. Index.

This is a timely book which takes up the questions of Soviet policy which have been the subject of Trotskyist attack. By quotations from the writings of Trotsky himself and those of his followers an effort is made to show the point of view of this group of Soviet critics. The author, who is one of the leading members of the British Communist Party, presents Trotskyism as changing from a political trend in the working class to a movement which aims to wreck and destroy, with the aid of outside power, the revolutionary policy of the Bolshevik party. This evolution of Trotskyism necessitated direct action against its followers, which culminated in the Moscow trial.

The first part of this study is taken up with a history of Trotsky's relation to the Bolshevik party. His opposition dates back to 1903, when the Russian Social Democratic Labor Party was holding its second congress in London. At that time Trotsky ranged himself with the right wing in violent opposition to the view of Lenin. In the years following this congress, Trotsky's objection to party discipline is shown by examples from his own writings, and a fundamental difference is seen thus early between Lenin and Trotsky in their ideas not only on the revolutionary party, but also on the character of the Russian revolution itself. Trotsky's writings in 1906 as well as 1922 show his belief that unless the European social revolution came to the assistance of backward Russia, not only could socialism not be built, but the workers' government could not survive.

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The clash between Trotsky and the party under Lenin's leadership was seen in their interpretation of the World War, in their disagreement on the seizure of power in the October Revolution, and in Trotsky's divergence from party leadership during the civil war at the time he held the office of Peoples' Commissar for War. Two illustrations are given in support of this latter point: the retirement of Trotsky and Wazetis in the campaign against Kolchak on the eastern front in 1919, and the withdrawal of Trotsky from operations against Deniken on the southern front.

Opposition within the party was fostered by Trotsky even before Lenin's death in 1924. This took the form of open discussions in party branches, and included questions as diverse as the Chinese revolution, relations between Russian trade unions and British trade unions, and the fundamental point of building socialism in one state alone. In 1937 a party referendum excluded the opposition and broke up their organization 724,000 members voting for the party, 4,000 for the Trotskyists and 2,600

abstaining.

The basis of anti-Soviet propaganda is that the state has made a definite retreat. This is to be seen they say, in the Stakhanov system, which produces a new privileged class of workers; in its changed laws regarding abortion; in its change of the educational system to a reactionary content; in cutting off the youth from discussion and decision in important questions of state policy.

One chapter deals with Trotsky's criticism of the new constitution and his accusation of bureaucratic control in the state. In his answer to these attacks the author quotes both Lenin and Stalin to show the impossibility of permitting either opposition parties or the establishment of an independent group or press within the party. Arrangements in the constitution for the election as well as the recall of representatives, for criticism within the party, are to prevent the development of a bureaucracy.

There is a rich store of material in this book for those interested in the Soviet views on questions of European international relations. The Bolshevik Party has produced some of the most penetrating historical interpreters and philosophers to be found today. Their views should be carefully studied. One chapter contains

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an analysis of the differences between 1914 and 1938, and a study of the technique of aggression which the fascist-imperialist bloc has developed—a new departure in international politics.

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"The second is that the Soviet Union and the capitalist countries which are opposed to fascist expansion, build up a peace combination strong enough to hold the fascists in check and to give the people in the fascist countries the opportunity of gathering their forces for attack on their oppressors."

The author presents Russia as a country which wants peace, for in peace lies the development of socialism and the destruction of fascism. Peace in the Russian terms is at least more logical than peace on the terms of the fascist countries.

F.M.R.



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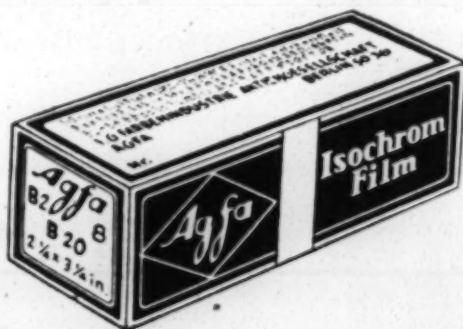
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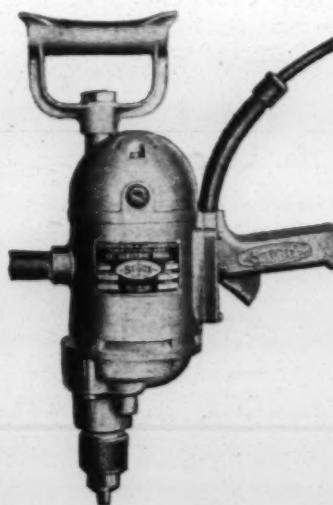
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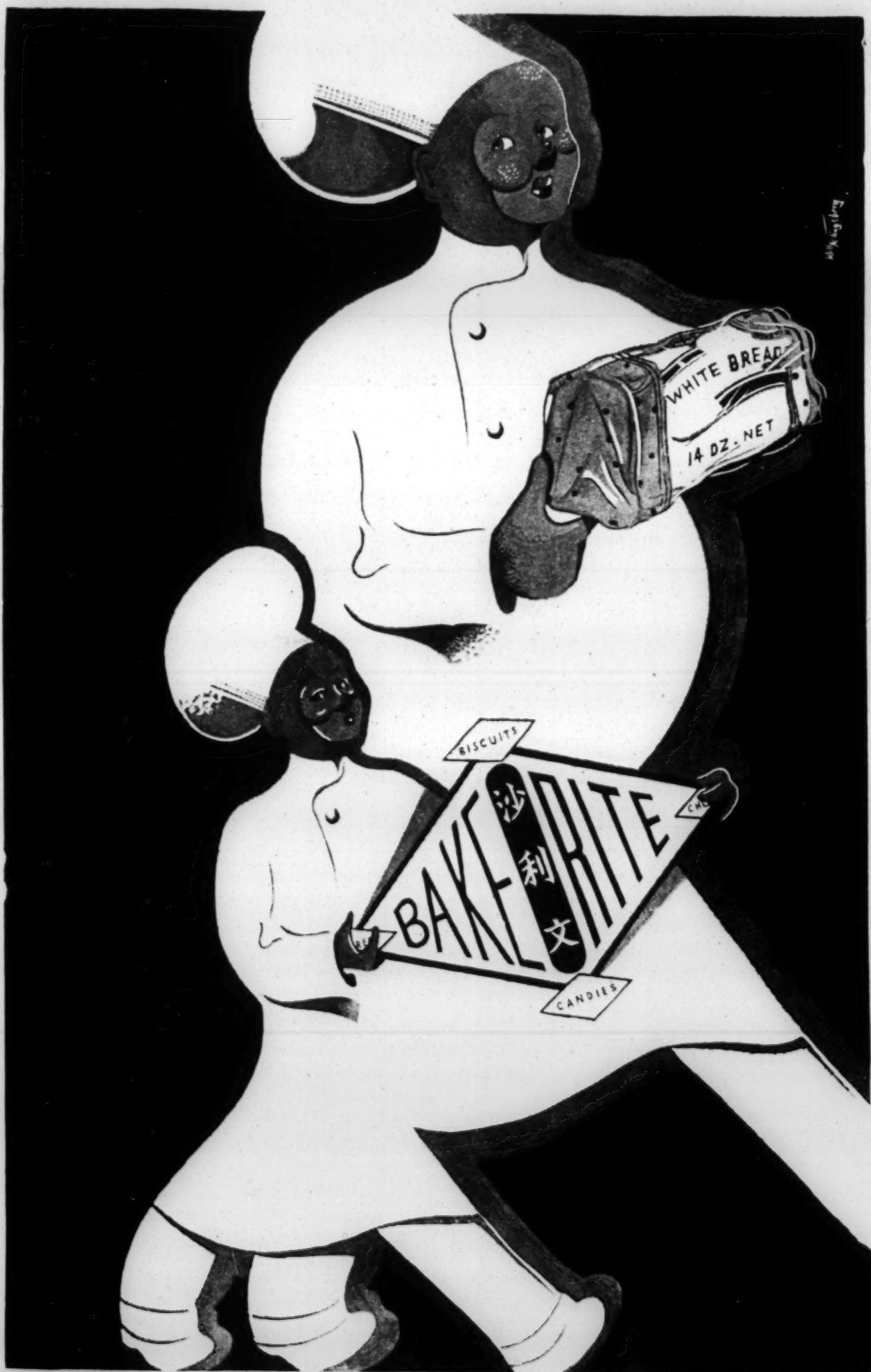
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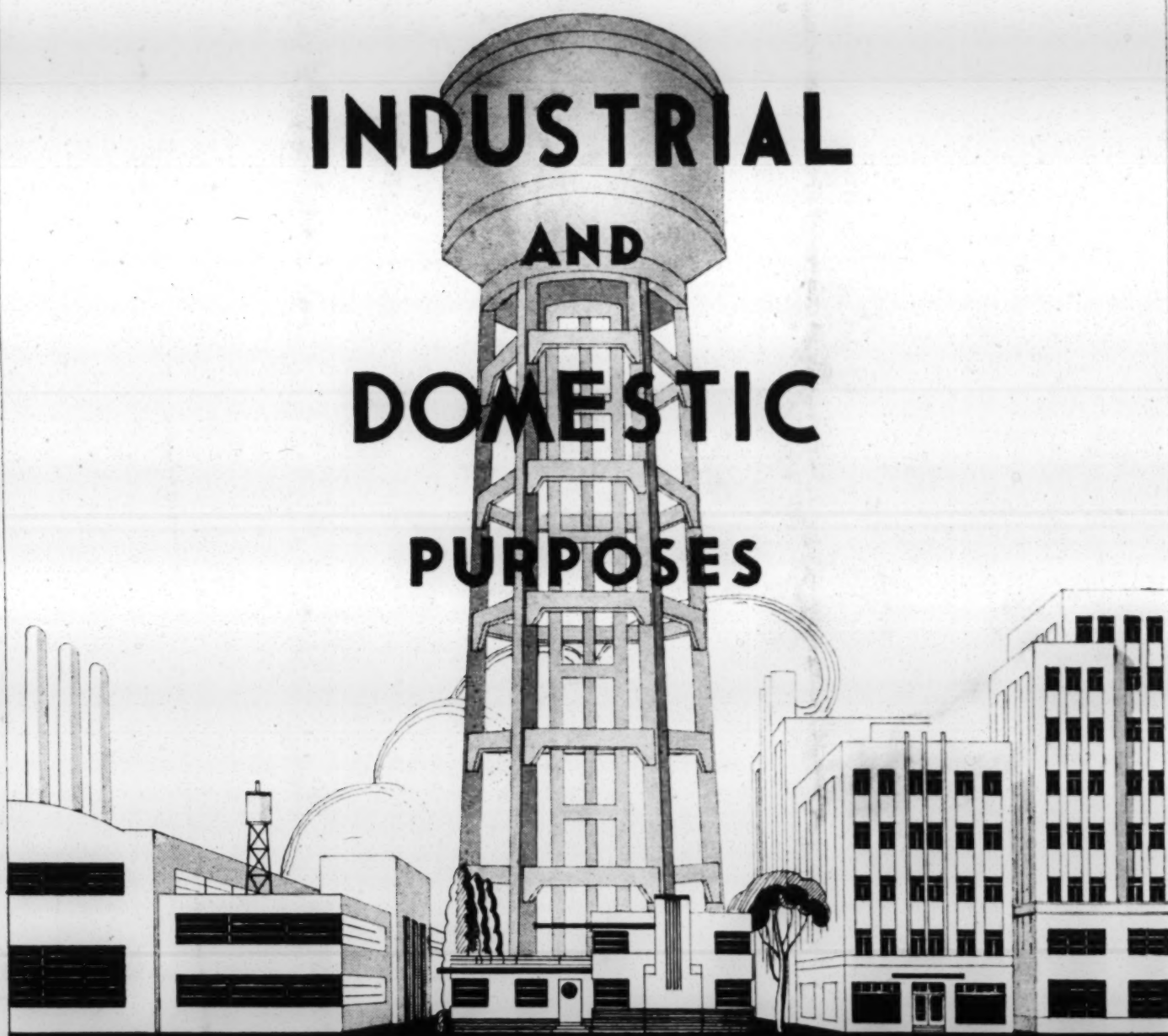
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